

PROGRAM IV: GENERAL GOVERNMENT SERVICES

SUMMARY OF APPROPRIATIONS AND REVENUES

Agency	Agency Name	FY 2003 - 2004 Appropriations	FY 2003 - 2004 Revenue	FY 2003 - 2004 Net County Cost
002	Assessor	29,651,085	4,420,000	25,231,085
003	Auditor-Controller	14,462,396	5,958,535	8,503,861
006	Board of Supervisors - 1st District	744,899	0	744,899
007	Board of Supervisors - 2nd District	737,698	0	737,698
008	Board of Supervisors - 3rd District	727,789	0	727,789
009	Board of Supervisors - 4th District	734,787	0	734,787
010	Board of Supervisors - 5th District	744,668	0	744,668
011	Clerk of the Board	2,321,697	8,800	2,312,897
017	County Executive Office	21,570,662	2,339,066	19,231,596
023	Office of Protocol & International Business Dev.	175,000	175,000	0
025	County Counsel	8,365,053	2,104,500	6,260,553
031	Registrar of Voters	27,923,578	19,325,332	8,598,246
059	Clerk-Recorder	9,738,723	15,982,639	(6,243,916)
074	Treasurer-Tax Collector	14,441,208	10,744,311	3,696,897
079	Internal Audit	2,202,653	42,240	2,160,413
	GENERAL FUND TOTAL	134,541,896	61,100,423	73,441,473
107	Remittance Processing Equipment Replacement	432,908	432,908	0
135	Real Estate Development Program	15,128,336	15,128,336	0
	NON-GENERAL FUND TOTAL	15,561,244	15,561,244	0
	TOTAL GENERAL GOVERNMENT SERVICES	150,103,140	76,661,667	73,441,473

002 - ASSESSOR

Operational Summary

Mission:

To serve the citizens of Orange County by valuing all legally assessable property with uniformity and impartiality, producing property tax assessment rolls in accordance with the laws of the State of California, and helping property owners to understand their property valuations.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	27,636,152
Total Final FY 2003-2004 Budget:	29,651,085
Percent of County General Fund:	1.21%
Total Employees:	337.00

Strategic Goals:

- Identify and properly value all taxable property in Orange County.
- Make property valuation information more accessible and easier to understand.
- Enhance operational efficiency and productivity through the implementation of new technology, policies and procedures.
- Encourage employee development by providing access to relevant training opportunities.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
VALUE ALL TAXABLE PROPERTY IN ORANGE COUNTY. What: Fulfills the Assessor's Constitutional mandates. Why: Implements the provisions of Proposition 13 and other property tax laws.	Valued 823,674 real property parcels and 163,687 business/personal property accounts.	Continue to value all taxable property in the County.	We continually respond to market dynamics, changes in property tax laws and shifts in the workload.
PUBLISH THE SECURED AND UNSECURED ASSESSMENT ROLLS OF VALUE EVERY JULY. What: Fulfills the Assessor's Constitutional mandates. Why: Establishes the basis for property tax assessments that fund schools and local government services.	Published the secured and unsecured assessment rolls in July 2002.	Publish the secured and unsecured assessment rolls in July 2003.	We are in the process of valuing all taxable property in the County for the FY 2003-04 assessment rolls of value.
IMPLEMENT HOMEOWNER, VETERAN & INSTITUTIONAL EXEMPTIONS FOR ELIGIBLE INDIVIDUALS AND ORGANIZATIONS. What: Limits or reduces taxable value, as mandated by the State Constitution. Why: Qualifying individuals and organizations receive the tax-saving benefits of these exemptions.	More than 480,300 Homeowner, Veteran and Institutional exemptions were enrolled.	Implement exemptions in accordance with property tax laws.	We process claims and application forms on a continuous basis.

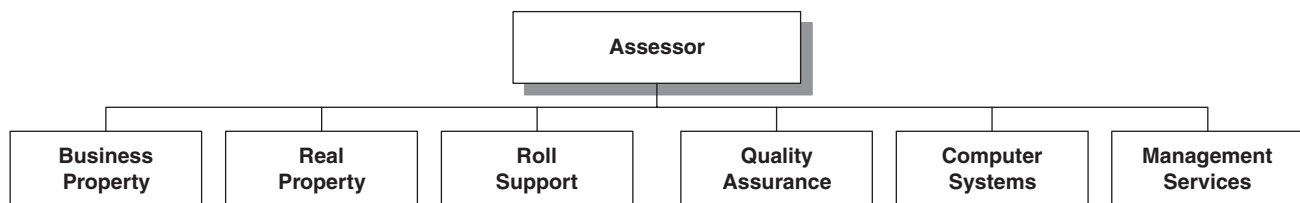
Key Outcome Indicators: (Continued)

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
APPLY TAXABLE VALUE RESTRICTIONS ADOPTED BY CALIFORNIA VOTERS. What: Restricts taxable value based on qualifying events. Why: Implements Prop. 13 and other constitutional limitations on the taxable value of property.	Approximately 48,200 parcels benefited from taxable value restrictions mandated by property tax laws. Value may be restricted if property declines in value, is transferred between parent and child, or is purchased as a replacement residence by a senior citizen or disabled property owner.	Apply taxable value restrictions to eligible properties in accordance with property tax laws.	We process claims and application forms on a continuous basis, and evaluate Prop. 8 parcels annually.
CONTINUE TO PRODUCE LOCAL ASSESSMENT ROLLS THAT MEET LEGAL QUALITY STANDARDS. What: The SBE conducts periodic surveys to determine if assessment rolls meet legal quality standards. Why: Reduces appeals and related costs, provides uniformity statewide, builds confidence in the system.	In the most recent survey conducted by the State Board of Equalization (SBE), Orange County's local assessment rolls meet legal quality standards established by Government Code Sections 15640 and 15642. The minimum legal quality rating is 95.0%, and Orange County's rating is 98.6%.	Continue to produce assessment rolls in accordance with property tax laws.	The Orange County Assessor and staff continually monitor the status of property tax laws and state rules. Property assessment practice is modified to implement changes in the law.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- We are the most productive of all urban California counties in terms of roll units worked per appraiser, according to the latest report from the State Board of Equalization.
- The Assessor's portion of the Assessment Tax System (ATS) database was successfully converted in Phase I of the project to upgrade the system. Phase II that would improve roll production programs and implement workflow tools has been delayed due to lack of funding.

Organizational Summary



BUSINESS PROPERTY - Audits and appraises business personal property and assesses all trade fixtures, leased equipment, boats and aircraft with taxable situs in Orange County.

REAL PROPERTY - Appraises real property, new construction and reassessable changes in ownership, and maintains records on all real property parcels including residential, commercial, rural, industrial and special use properties.

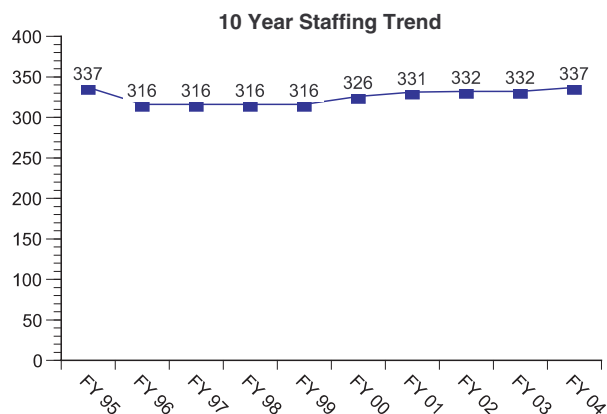
ROLL SUPPORT - Reviews and maintains recorded documents evidencing a change in ownership of real property, prepares Assessor parcel maps and processes Homeowner, Veteran and Institutional exemptions.

QUALITY ASSURANCE - Provides appraisal methodologies, procedures, training and quality control for roll production, audit and appraisal staff.

COMPUTER SYSTEMS - Provides programming and data processing services, system security and technical services to support the development of the assessment rolls of value.

MANAGEMENT SERVICES - Provides fiscal management, process integration, contract administration, procurement and personnel services, general department administration and public service support to the public and other government agencies.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Twenty-one (21) positions were deleted in FY 1995-96 due to the County bankruptcy. Extra help and overtime labor has been used as appropriate to complete the work. Ten (10) positions were added back in January 1999 to accommodate the increased workload base, and annual workload increases.
- Five (5) unfunded limited-term positions were added in FY 2000-01 to manage vacancies and better accommodate recruitment timeframes. One (1) full-time regular position was added mid-year FY 2000-01.
- Five (5) extra-help positions were converted to regular in FY 2002-03 to meet Property Tax Administration Grant Program (AB 589) staffing requirements. These changes restored the Department's staffing to the FY 1993-94 level.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Assessor Department recognizes the County's Strategic Priorities, and will continue to operate in concert with those priorities to the extent that they do not interfere with the Department's Constitutional mandate to produce valuation rolls and provide valuation services to Orange County's property owners and businesses.

Changes Included in the Base Budget:

The Department's costs will increase by approximately \$2.0 million due to countywide increases in negotiated salaries, retirement and health insurance rates. Yet the FY 2003-04 Net County Cost (NCC) target is about \$50,000 less than the FY 2002-03 adopted NCC budget. The Department deleted one-time items and made internal reductions totaling over \$1 million to come as close as possible to the target.

Cost allocation estimates released by the County CIO indicate that the Department's share of data processing costs for assessment roll production will increase significantly. The difference between the FY 2002-03 budgeted amount and the FY 2003-04 cost allocation estimate has been submitted as an augmentation.

Legal fees for the 2% assessment appeals case were removed from the base and submitted as an augmentation.

Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
DATA PROCESSING CHARGES	Funds increases in charge backs for data processing services used to produce assessment rolls.	Continue to operate at current level of service.	002-001
Amount:\$ 1,100,000			

Approved Budget Augmentations and Related Performance Results: (Continued)

Unit/Amount	Description	Performance Plan	Ref. Num.
TWO PERCENT ASSESSMENT APPEALS CASE ON SECURED PROPERTY TAX Amount:\$ 200,000	Funds legal work for the 2% assessment appeals case.	The case will proceed to the appellate court to obtain a uniformity ruling.	002-002

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	337	337	337	0	0.00
Total Revenues	4,952,177	4,860,887	5,790,359	4,420,000	(1,370,359)	-23.67
Total Requirements	25,748,897	27,785,402	27,873,707	29,651,085	1,777,378	6.38
Net County Cost	20,796,720	22,924,515	22,083,348	25,231,085	3,147,737	14.25

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Assessor in the Appendix on page 432.

Budget Units Under Agency Control

No.	Agency Name	Business Property	Real Property	Roll Support	Quality Assurance	Computer Systems	Management Services	Total
002	Assessor	4,583,656	8,745,231	6,799,708	774,361	1,979,353	6,768,776	29,651,085
	Total	4,583,656	8,745,231	6,799,708	774,361	1,979,353	6,768,776	29,651,085

003 - AUDITOR-CONTROLLER

Operational Summary

Mission:

To promote public oversight, provide accountability, and support financial decision-making for the County.

Strategic Goals:

- To manage the increasing financial risk faced by the County by enforcing our system of accounting controls.
- To anticipate and satisfy our stakeholders and clients' needs for financial services and information.
- To increase organizational effectiveness by making the appropriate investments in our staff and technology.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
RECEIVE UNQUALIFIED OPINION AND GFOA CERTIFICATE FOR EXCELLENCE IN FINANCIAL REPORTING FOR THE CAFR. What: Measures the integrity and accuracy of the County's annual financial statements. Why: Provides assurance that the CAFR fairly presents the financial position of the County.	The County received an unqualified opinion for fiscal year 2000-2001, and the GFOA Certificate for fiscal year 2000-2001.	The department expects to achieve the same high level of success for fiscal year 2001-2002, having fully implemented GASB 34 and other recent GASB pronouncements.	The department lead a countywide team in a successful implementation of significant new pronouncements from GASB in order to stay in compliance with financial reporting requirements and with generally accepted accounting principles.
99% OF ALL PROPERTY TAXES WILL BE ALLOCATED TO TAXING AGENCIES ON TIME. What: Measures ability to meet deadlines for computing property tax bills and allocating tax revenues. Why: Provides timely revenue to County taxing agencies who receive funding from tax revenues.	The department met all property tax deadlines, apportioning over \$3.4 billion in property taxes, penalties, special taxes/assessments, and interest to over 170 local government funds in 64 separate apportionments.	The department fully expects to meet all property tax deadlines.	Property tax apportionment deadlines continue to be met in spite of frequent tax statute changes and the complexity of the tax allocation process.
99% OF STATE AND FEDERAL FUNDS WILL BE CLAIMED IN TIME TO SATISFY CASH FLOW REQUIREMENTS. What: Measures compliance with deadlines that assure timely receipt of funds and avoidance of penalties. Why: The amount of revenue associated with these claims is over \$1 billion.	The department achieved over 99% compliance for fiscal year 2001-2002. The department expects to have 99% compliance for fiscal 2002-2003.	The department will remain committed to timely submission of the over 1,350 required claims and reports, in order to maximize revenue, avoid penalties, and maintain funding for the many County programs which rely on State and Federal participation.	State and Federal funds continue to be claimed in a timely manner.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	13,021,697
Total Final FY 2003-2004 Budget:	14,462,396
Percent of County General Fund:	0.59%
Total Employees:	409.00

Key Outcome Indicators: (Continued)

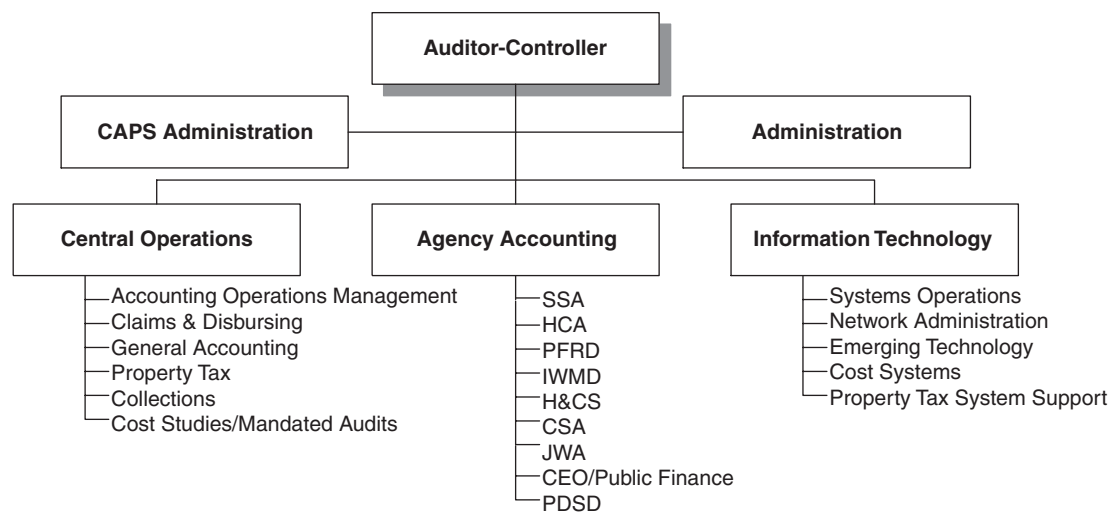
Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
ACHIEVE CAPS USER SATISFACTION WITH FINANCIAL AND PAYROLL SYSTEMS TO 90% OR HIGHER. What: Measure client satisfaction with functionality of Financial and Payroll Systems and related support. Why: Make certain AC provides appropriate level of support for financial and payroll applications.	New Measure	Develop survey instrument and conduct survey.	New Measure
REDUCE HARD COPY/FICHE PRINTING/DISTRIBUTION COST 20%, WHILE INCREASING ACCESS TO FINANCIAL RECORDS. What: Measures reduction of report preparation and access costs due to new imaging technology. Why: Ready access to report information coupled with ability to extract report information for other uses	Countywide rollout of WebERMI has been completed. User training substantially completed. Expand usage of data mining.	Discontinue hard copy printing of reports and measure savings as a result of doing so.	Provided users further assurance of long term availability of reports by adding optical storage, hierarchical storage management and DVD authoring for disaster recovery. This was a prerequisite for complete shutdown of hardcopy/fiche.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Received, on behalf of the County of Orange, the Association of Information and Imaging Management (AIIM) Best Practices Award for 2003 for the Electronic Report Management and Imaging System (ERMI). The award recognizes the employment of imaging and report management solutions to dramatically improve documents/records management.
- Implemented seamless integration of disparate systems such as CAPS, CUBS, and PFRD Transportation billing by providing a single portal for ERMI. Additionally provided financial document processing for payment vouchers, journal vouchers and Auditor-Controller/Collections using scanners and optical disk libraries (jukeboxes). Facilitated connectivity for 35 County Agencies on the ATM; user training for over 400 countywide users; and communications using a chat-room/bulletin board.
- Implemented the latest sub-releases of AMS Financial and Human Resources software product.
- Completed the County's CAFR and component unit financial statements by scheduled deadlines with unqualified audit opinions for all statements. Received the GFOA Certificate of Achievement for Excellence in Financial reporting for the CAFR.
- Prepared and issued financial statements in conformance with the New Reporting Model for governments required under statements issued by the Governmental Accounting Standards Board (GASB) - GASB Statements Nos. 33, 34, 36, 37, 38, and Interpretation #6.
- Met daily, weekly, monthly or other deadlines for basic services such as payroll, property tax distributions, vendor payments, revenue collection and reporting, appropriation/budget control, reports to the Board, and submission of State and Federal reports.
- Determined that all Auditor-Controller mandates were met.
- Updated additional 14% of Accounting Procedures in County Accounting Manual and posted them to the County's intra-net site. Reformatted all 37 existing Accounting Procedures into a "user friendly" Table of Contents sorted by logical subject matter.
- Provided post bankruptcy services by completing available cash distributions, paid Option "B" pool participants, and maintained and updated "Available Cash" model.

- Continued development of employee recognition program that allows managers, supervisors and employees to acknowledge outstanding achievement. Continued publication of quarterly newsletter to increase communication throughout the office.
- Completed biennial client surveys of services performed by the outstationed Auditor-Controller accounting teams and a client satisfaction survey of vendors which received high satisfaction ratings. Continue to implement appropriate changes requested as a result of prior client surveys.
- Continue to support the Performance Initiative Plan Program by providing necessary training and meeting Performance Action Plan, PIP goal-setting, Progress Review, Final Evaluation, and other appropriate review dates for employees. Continue to fulfill requirements of the County's Management Performance Plan, meeting goal-setting, evaluation and other required dates for all managers.

Organizational Summary



CENTRAL OPERATIONS - This division provides the core accounting activities required of the Auditor-Controller which benefit the County as a whole, including: apportionment of property taxes for all County tax-receiving agencies; providing payroll and claims processing for the benefit of all County departments; accounts receivable and collections functions for many County departments; Cost Studies and Mandated Audits Section, which prepares the County's annual Countywide Cost Allocation Plan (CWCAP) that is utilized for cost reimbursement claiming purposes by most County departments; and preparation of the County's annual financial statements. With the exception of Collections/Accounts Receivable, which is cost-applied to client departments, the core services provided by the Accounting Operations and Reporting division are financed by general-purpose revenues of the General Fund.

AGENCY ACCOUNTING - This division supports nine other agencies/departments by providing outstationed specialized accounting/financial services. The outstationed agency/department accounting support sections are entirely funded by host agencies that have outside revenue sources.

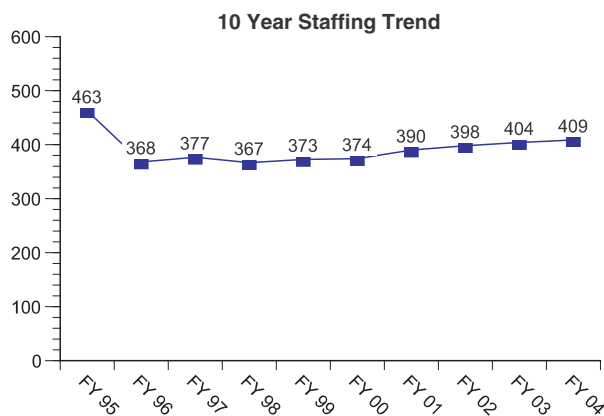
CAPS ADMINISTRATION - CAPS Administration provides administrative support for the County Accounting and Personnel System (CAPS). This function is assigned to the Auditor-Controller but represents the interests of all owner organizations: CEO/CFO, CEO/Human Resources, and the Auditor-Controller.

EXECUTIVE MANAGEMENT - This section includes the executive management team that provides leadership and direction for the department. It consists of the Auditor-Controller, Chief Assistant Auditor-Controller, their secretaries, and the Communications/Staff Development Coordinator.

INFORMATION TECHNOLOGY - The Information Technology division is responsible for the implementation, maintenance and upgrade of the County's central accounting and financial systems, as well as the development of other accounting-related systems.

ADMINISTRATION - This division includes human resources, purchasing, budget management, and administrative support and staff services. This division provides central administrative and staff support to the rest of the department.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- FY 94/95 - Added 4 systems positions to work on CAPS. Added 14 positions in outstationed agency units, most in SSA Accounting with no Net County Cost (NCC) effect.
- FY 95/96 - Eliminated 15 positions due to transfer of internal audit responsibilities to a new County agency. Eliminated 31 other County General funded positions from Central Operations and 49 positions from outstationed Agency units.
- FY 96/97 - Added 4 positions to work on CAPS upgrade (partial restoration of 9 positions eliminated from Systems in 95/96). Added 5 positions to outstationed Agency Accounting with no NCC effect.
- FY 97/98 - Restructure resulted in a net decrease of 10 positions.
- FY 98/99 - Added 6 positions to Agency Accounting with no NCC effect.
- FY 99/00 - Added 1 position in the central office as additional clerical support for purchasing and HR function.
- FY 00/01 - Added 26 positions that were transferred in as part of HCA restructuring with no NCC effect. Added 1 Limited Term position for GASB 34 implementation. Eliminated 10 positions that were transferred to CEO/HR with no NCC effect. Eliminated 1 position from central office.
- Mid year adjustments - In November 2000, added 2 Limited Term positions for GASB 34 implementation, 1 HR manager, 1 Systems Analyst for ATS, 1 limited term for DA/Family Support study, deleted 2 positions in SSA Accounting Services. In February 2001, added 3 positions due to Systems reorganization. In May 2001, deleted the limited term DA/FS position, added 1 position in PF&RD Accounting for Dana Point leases.
- FY 01/02 - Added 1 position in General Ledger, 1 limited term position in Systems for the CAPS upgrade.
- FY 01/02 Mid year adjustments - 1 position in CSA Accounting for the Area Agency on Aging, 2 positions in PF&RD Accounting for Dana Point leases, 1 position to HCA Accounting for Medi-Cal Administrative Activity/Targeted Case Management, and 1 position to SSA Accounting for a collection officer. Base budget of 403 positions.
- FY 02/03 - Added 1 Sr. Systems Programmer/Analyst to a three year limited term in the Information Technology division.
- FY 02/03 Mid Year Adjustment - 1 limited term Sr. Accountant/Auditor II added to Information Technology to support CAPS fit analysis and CAPS Upgrade. Base budget of 405 positions.
- FY 03/04 - Added one Sr. Accountant/Auditor I and one Accounting Assistant II to Planning and Development Services Department Accounting and added two Accounting Assistant II positions to HCA Accounting (converting two extra help positions to regular status).

Budget Summary

Plan for Support of the County's Strategic Priorities:

Although the Auditor-Controller does not have responsibility for a specific priority item, the department budget request reflects support of the overall priorities including initiation, implementation and continued support of several technology projects designed to enhance overall efficiency and enable data gathering and processing to be more efficient throughout the County.

Changes Included in the Base Budget:

The budget request reflects the Auditor-Controller's continued desire to increase the usefulness and accessibility of financial systems. As County departments change and re-engineer their business processes to increase efficiencies and implement new technologies, the Auditor-Controller is consistently working to control risk at the appropriate level. As County departments are now struggling to reduce their budgets and streamline operations, the Auditor-Controller will work to ensure that all risk control measures are comprehensively enforced, and that the gate-keeping function of the office remains secure.

Net County Cost Reductions: The Auditor-Controller Department reduced \$98,000 net county cost from the 2002-2003 budget as part of the countywide budget re-balancing process. The \$98,000 reduction is also included as part of the 2003-2004 base budget request.

Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
ADD 2 ACCOUNTING POSITIONS FOR PLANNING & DEVELOPMENT SERVICES DEPARTMENT Amount: \$ 46,387	Request positions to support restructure of building permitting fees & implementing billing system.	Complete on-time milestone tasks associated with recognizing revenue through claims, reconciliation.	003-001
BIENNIAL AUDIT OF PROBATION DEPARTMENT Amount: \$ 52,500	The Auditor-Controller is mandated to conduct audit of Probation Department every other year.	The Auditor-Controller does not have an audit staff and must contract for the work to be done.	003-003
EXTRA HELP CONVERSION--2 ACCOUNTING ASSISTANT II Amount: \$ 0	Request conversion of extra help positions to regular to retain staff and reduce claims backlogs.	Claims processed within 5 days, reduction of provider claims inquiries by 50%.	003-006

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	405	405	409	4	0.99
Total Revenues	5,311,533	5,301,897	5,597,228	5,958,535	361,307	6.46
Total Requirements	12,067,750	13,347,563	13,033,524	14,462,396	1,428,872	10.96
Net County Cost	6,756,217	8,045,666	7,436,296	8,503,861	1,067,565	14.36

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Auditor-Controller in the Appendix on page 434.

Highlights of Key Trends:

- The Auditor-Controller workload increases proportionately with the addition and expansion of County programs and with the general growth in the County budget and number of positions. Workload also increases as a result of requests from client departments for new and enhanced services and for interfaces with our automated systems.
- Key Technological enhancements that serve to reduce overall workload for County administrators, (such as continued roll-out of on-line payroll timekeeping program and the Electronic Reporting Management and Imaging System) have created significant new workload for the department.
- Workload continues to increase as the number of County programs expands to support the County's growing population. Since the bankruptcy, the number of County positions has grown beyond pre-bankruptcy levels when adjusted for Court positions. (Even though the Courts are no longer a County agency, the Auditor-Controller continues to perform all the related accounting and payroll services for them on a fee basis.) Although increases in operating efficiency and technology have assisted in closing the gap between resources and workload, the gap is widening due to expanding workload. Transactions processed have increased in key areas 25 percent over the last three years.
- Implementation of the new financial reporting model (GASB 34) has placed pressure on resources. Although some of the additional workload is resulting from transition issues, a sustained increase in workload will result from additional reporting model requirements.
- Significant information technology development work will continue for the basic financial systems that manage the county. The Assessment Tax System is in the process of being totally rewritten. The County Accounting and Personnel Systems are also being redeveloped. These developments are placing additional strain on an already taxed Information Technology Division.

Budget Units Under Agency Control

No.	Agency Name	Central Operations	Agency Accounting	Caps Administration	Executive Management	Information Technology	Administration	Total
003	Auditor-Controller	6,446,943	3,354,865	0	604,483	2,973,373	1,082,732	14,462,396
14A	Option B Pool Participants Regist Warrants	968,764	0	0	0	0	0	968,764
14C	Class B-27 Registered Warrants	252,145	0	0	0	0	0	252,145
15Q	Pension Obligation Bond Amortization	16,000,000	0	0	0	0	0	16,000,000
15W	1996 Recovery Cop Series A	3,123,010	0	0	0	0	0	3,123,010
15Y	Sched 1 County-Admin Accounts	0	0	0	0	0	0	0
15Z	Plan Of Adjustment Available Cash	4,820,494	0	0	0	0	0	4,820,494
	Total	31,611,356	3,354,865	0	604,483	2,973,373	1,082,732	39,626,809

006 - BOARD OF SUPERVISORS - 1ST DISTRICT

Operational Summary

Mission:

The County of Orange is a regional service provider and planning agency representing all residents of Orange County. The core businesses of the County are public safety, public health, environmental protection, regional planning, public assistance social services, and aviation. The Board of Supervisors, as authorized under California law, functions as both a legislative and executive body. In its legislative duties, the Board adopts ordinances, resolutions, and rules within the limits prescribed by State law. As an executive body, the Board oversees the activities of County agencies and depart-

ments, establishes policy, determines annual budget allocations, approves contracts for public improvement projects and other specialized services, conducts public hearings on matters such as zoning appeals and planning, and makes appointments to various boards and commissions. The First Supervisorial District represents the citizens of Santa Ana, Westminster, a portion of Garden Grove, and the unincorporated area of Midway City.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	620,253
Total Final FY 2003-2004 Budget:	744,899
Percent of County General Fund:	0.03%
Total Employees:	7.00

Strategic Goals:

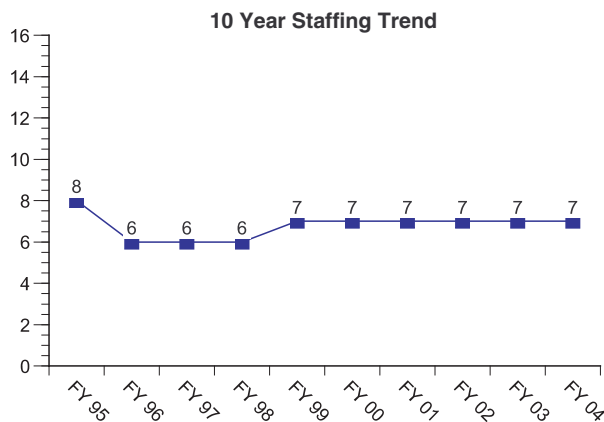
- Provide an accessible, responsive and timely avenue to government for the 600,000 First District residents and business persons, in order to insure that they have the means to effect an efficient and economic quality of life and to pursue their individual goals.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Established a Countywide Elder Abuse Task Force--the first in the nation.
- Initiated the first Senior Mobile Health Van Program.
- Created the first Orange County Latino Senior Coalition.
- Developed Family Resource Centers in Midway City, Santa Ana, Garden Grove, and Westminster.
- Facilitated several affordable housing projects in Santa Ana and Westminster, including plans for an intergenerational facility.
- Supported improvements on the Garden Grove 22 Freeway.

- Utilized Prop 10 Tobacco Tax dollars to provide School Readiness Programs.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Of the seven positions budgeted for First District, one is occupied by the Supervisor and two are part-time positions.

Budget Summary

Changes Included in the Base Budget:

The variance between the FY 02/03 year-end actual and the FY 03/04 budget is due to the holding of 2 vacant positions in FY 02/03 as a cost-savings measure. The positions are budgeted and will be filled for FY 03/04.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	7	7	7	0	0.00
Total Revenues	1,883	0	0	0	0	0.00
Total Requirements	594,522	678,983	618,912	744,899	125,987	20.36
Net County Cost	592,639	678,983	618,912	744,899	125,987	20.36

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Board of Supervisors - 1st District in the Appendix on page 438.

Budget Units Under Agency Control

No.	Agency Name	Board Of Supervisors 1st District	Total
006	Board Of Supervisors -1st District	744,899	744,899
	Total	744,899	744,899

007 - BOARD OF SUPERVISORS - 2ND DISTRICT

Operational Summary

Mission:

The County of Orange is a regional service provider and planning agency representing all residents of Orange County. The core businesses of the County are public safety, public health, environmental protection, regional planning, public assistance social services, and aviation. The Board of Supervisors, as authorized under California law, functions as both a legislative and executive body. In its legislative duties, the Board adopts ordinances, resolutions and rules within the limits prescribed by State law. As an executive body, the Board oversees the activities of County agencies and departments, establishes policy, determines annual budget allocations,

approves contracts for public improvement projects and other specialized services, conducts public hearings on matters such as zoning appeals and planning, and makes appointments to various boards and commissions. The Second Supervisorial District represents the citizens of Costa Mesa, Cypress, Huntington Beach, La Palma, Los Alamitos, Newport Beach, Seal Beach, Stanton, a portion of Garden Grove, and the unincorporated areas of Rossmoor, Santa Ana Heights, and Sunset Beach.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	650,359
Total Final FY 2003-2004 Budget:	737,698
Percent of County General Fund:	0.03%
Total Employees:	7.00

Strategic Goals:

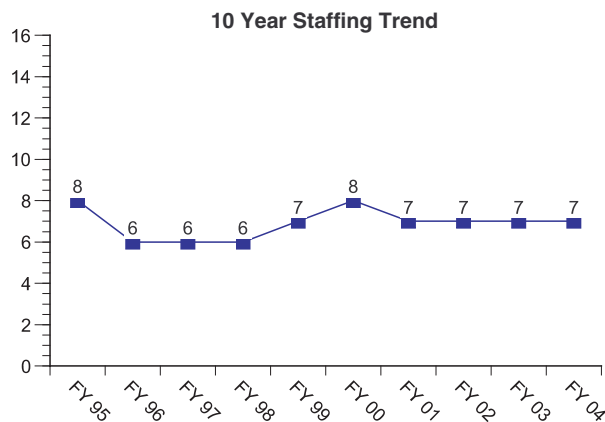
- To effectively and efficiently represent the people of the Second District in promoting economic prosperity, preserving public safety, and maintaining the quality of life.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Early Bankruptcy Debt Repayment
- 100-Year Flood Protection
- Urban Runoff Containment & Water Quality Preservation
- Non-Emergency Medical Transportation for Senior Citizens
- Automated Voting System
- Veterans Museum
- SR-22 Freeway Improvements
- Long Range County Strategic Financial Plan
- Internet Website Detailing Sex-Offender Information

■ Regional Park Implementation

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Of the seven positions budgeted, one is occupied by the Supervisor.

Budget Summary

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	7	7	7	0	0.00
Total Requirements	560,965	673,087	650,884	737,698	86,814	13.34
Net County Cost	560,965	673,087	650,884	737,698	86,814	13.34

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Board of Supervisors - 2nd District in the Appendix on page 439.

Budget Units Under Agency Control

No.	Agency Name	Board Of Supervisors 2nd District	Total
007	Board Of Supervisors -2nd District	737,698	737,698
	Total	737,698	737,698

008 - BOARD OF SUPERVISORS - 3RD DISTRICT

Operational Summary

Mission:

The County of Orange is a regional service provider and planning agency representing all residents of Orange County. The core businesses of the County are public safety, public health, environmental protection, regional planning, public assistance social services, and aviation. The Board of Supervisors, as authorized under California law, functions as both a legislative and executive body. In its legislative duties, the Board adopts ordinances, resolutions and rules within the limits prescribed by State law. As an executive body, the Board oversees the activities of County agencies and departments, establishes policy, determines annual budget allocations, approves contracts for public improvement projects

and other specialized services, conducts public hearings on matters such as zoning appeals and planning, and makes appointments to various boards and commissions. The Third Supervisorial District represents the citizens of Brea, Irvine, Orange, Tustin, Villa Park, Yorba Linda, a portion of Anaheim, and the unincorporated areas of Cowan Heights, El Modena, Lemon Heights, MCAS El Toro, Olinda, Olive, Orange Hills, Orange Park Acres, Tustin Foothills, Modjeska Canyon, Santiago Canyon, Silverado Canyon and Trabuco Canyon.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	623,553
Total Final FY 2003-2004 Budget:	727,789
Percent of County General Fund:	0.03%
Total Employees:	7.00

Strategic Goals:

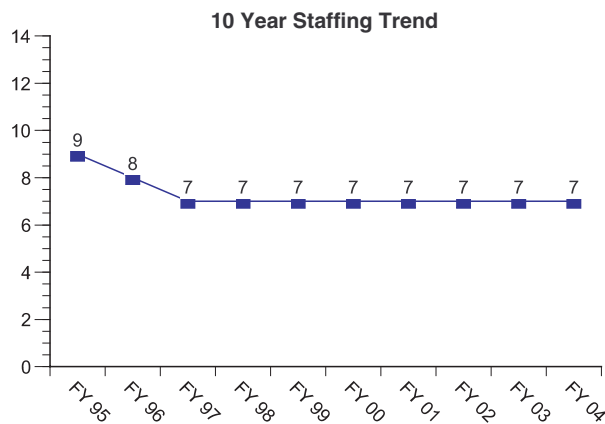
- Strive daily to represent the interests of the men, women and children of Orange County.
- Continue to make Orange County the best place to live, work and play.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Approved property tax transfer agreement with City of Irvine for future incorporation of MCAS-El Toro by City of Irvine for development of the Great Park.
- Successfully completed purchase and transfer of 91 Freeway toll lanes to OCTA.
- Implemented cost recovery program for County Planning and Development Services Department and initiated department reorganization.
- Secured additional public open space in Barham Ranch, Freemont Canyon and Harding Canyon.
- Initiated agreement with Boy Scouts of America for use of 190 acres of donated land for Youth Wilderness Camp.

- Merged Public Administrator/Public Guardian with Health Care Agency and initiated management review of Community Services Agency.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Of the seven positions budgeted for Third District, one is occupied by the Supervisor.

Budget Summary

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	7	7	7	0	0.00
Total Requirements	558,920	673,344	625,914	727,789	101,875	16.28
Net County Cost	558,920	673,344	625,914	727,789	101,875	16.28

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Board of Supervisors - 3rd District in the Appendix on page 440.

Budget Units Under Agency Control

No.	Agency Name	Board Of Supervisors 3rd District	Total
008	Board Of Supervisors -3rd District	727,789	727,789
	Total	727,789	727,789

009 - BOARD OF SUPERVISORS - 4TH DISTRICT

Operational Summary

Mission:

The County of Orange is a regional service provider and planning agency representing all residents of Orange County. The core businesses of the County are public safety, public health, environmental protection, regional planning, public assistance social services, and aviation. The Board of Supervisors, as authorized under California law, functions as both a legislative and executive body. In its legislative duties, the Board adopts ordinances, resolutions and rules within the limits prescribed by State law. As an executive body, the Board oversees the activities of County agencies and depart-

ments, establishes policy, determines annual budget allocations, approves contracts for public improvement projects and other specialized services, conducts public hearings on matters such as zoning appeals and planning, and makes appointments to various boards and commissions. The Fourth Supervisorial District represents the citizens of Anaheim, Buena Park, Fullerton, La Habra, Placentia, and the unincorporated area of West Anaheim.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	634,236
Total Final FY 2003-2004 Budget:	734,787
Percent of County General Fund:	0.03%
Total Employees:	7.00

Strategic Goals:

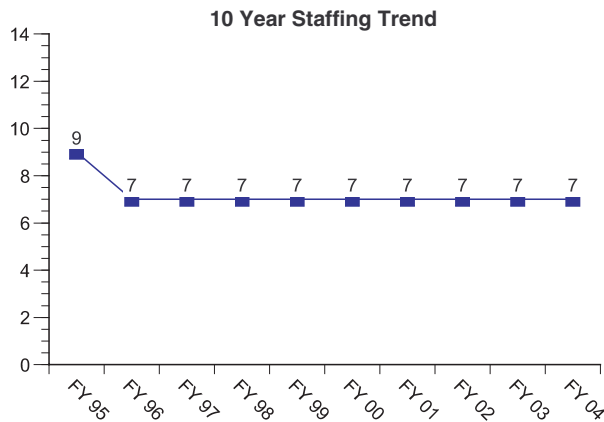
- Provide leadership, formulate new ideas and build consensus on programs and projects benefiting the Fourth District and all of Orange County. Be the personal conduit between Anaheim, Fullerton, Buena Park, Placentia and La Habra constituents with Orange County government.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Facilitated proper re-use of El Toro, compatible with adjacent communities.
- Successfully defended legality of Measure V and replacement election of Third District Supervisor.
- Chose interim CEO and process for long-term appointment.
- Carefully scrutinized transportation projects, including re-examination of 57 freeway extension and practicality of center-line.
- Explored and promoted ideas for fire service consolidation among Fourth District cities.
- Accelerate annexation process of County islands in the Fourth District.
- Advocate of full return of property taxes from long-term property tax exemption County-funded housing projects.

- Developed and promoted FRESH Plan (Fiscal Reform: Equity, Stability, Harmony) to secure stable funding sources for local government and end inequities that have long burdened Orange County.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Of the seven positions budgeted for Fourth District, one is occupied by the Supervisor.

Budget Summary

Changes Included in the Base Budget:

The variance between the FY 02/03 year-end actual and the FY 03/04 budget is due to the holding of one vacant position as a cost-savings measure. The position is budgeted and will be filled in FY 03/04.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	7	7	7	0	0.00
Total Revenues	0	0	120	0	(120)	-100.00
Total Requirements	599,603	674,182	630,091	734,787	104,696	16.62
Net County Cost	599,603	674,182	629,971	734,787	104,816	16.64

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Board of Supervisors - 4th District in the Appendix on page 441.

Budget Units Under Agency Control

No.	Agency Name	Board Of Supervisors 4th District	Total
009	Board Of Supervisors -4th District	734,787	734,787
	Total	734,787	734,787

010 - BOARD OF SUPERVISORS - 5TH DISTRICT

Operational Summary

Mission:

The County of Orange is a regional service provider and planning agency representing all residents of Orange County. The core businesses of the County are public safety, public health, environmental protection, regional planning, public assistance social services, and aviation. The Board of Supervisors, as authorized under California law, functions as both a legislative and executive body. In its legislative duties, the Board adopts ordinances, resolutions and rules within the limits prescribed by State law. As an executive body, the Board oversees the activities of County agencies and departments, establishes policy, determines annual budget allocations,

approves contracts for public improvement projects and other specialized services, conducts public hearings on matters such as zoning appeals and planning, and makes appointments to various boards and commissions. The Fifth Supervisorial District represents the citizens of Aliso Viejo, Dana Point, Laguna Beach, Laguna Hills, Laguna Niguel, Laguna Woods, Lake Forest, Mission Viejo, Rancho Santa Margarita, San Clemente, San Juan Capistrano, and the unincorporated areas of Coto de Caza, Las Flores, Newport Coast and Ladera.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	661,554
Total Final FY 2003-2004 Budget:	744,668
Percent of County General Fund:	0.03%
Total Employees:	8.00

Strategic Goals:

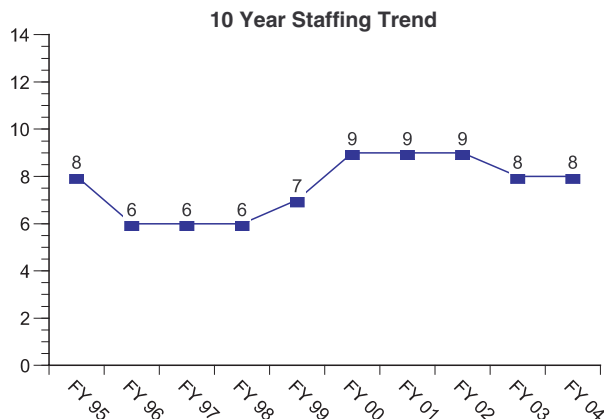
- To represent the people of the Fifth District by enhancing and protecting the quality of life, promoting economic prosperity and being an effective advocate for Fifth District issues.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Secured guarantees that the intent of Measure W would be inherent to the redevelopment of former MCAS El Toro.
- Led effort to achieve County target goals to facilitate the annexation of MCAS El Toro to the City of Irvine to allow the Great Park Plan to proceed.
- Took the lead to remove the airport system master plan, the airport layout plan and championed the removal of aviation easements affecting South County cities.
- As Chairman, coordinated Countywide approach to addressing budget issues to include cities, special districts and regional agencies.
- Led the changes within the County structure to create a more effective and accountable government to serve our residents and advocated for more responsive management to benefit all of the County's employees.
- Continued to spearhead the implementation of Dana Point Harbor Concept Plan, pressing for a world-class team (including project management, architect/design and permitting experts) to ensure the County stays on time and under budget.
- Personally resolved outstanding issues relating to South Court to allow design to proceed.
- Oversaw the final details of the Laguna Canyon Road design and permitting effort enabling construction to proceed following almost a decade of planning.

- Shaped the South County Outreach and Review Efforts (SCORE) review process with the Planning & Development Services Department to provide early community input into Rancho Mission Viejo (RMV) land use planning, including a Phase 1 report to the Orange County Planning Commission.
- Chaired biweekly conference calls between federal, state and local agencies and consultants intended to coordinate Nature Reserve design activities with RMV land use planning activities to ensure timeliness, accountability and good science.
- Chaired monthly meetings of the OCCJCC to improve coordination and effectiveness of the County's public safety entities.
- Advocated for aggressive implementation of the County's NPDES permits; pressed for the completion of short-term projects to improve beach water quality in conjunction with the Governor's Clean Beaches Initiative; and championed continued emphasis on watershed level planning.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Of the eight positions budgeted for Fifth District, one is occupied by the Supervisor and two are part-time positions.

Budget Summary

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	8	8	8	0	0.00
Total Requirements	592,198	675,691	662,118	744,668	82,550	12.47
Net County Cost	592,198	675,691	662,118	744,668	82,550	12.47

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Board of Supervisors - 5th District in the Appendix on page 442.

Budget Units Under Agency Control

No.	Agency Name	Board Of Supervisors 5th District	Total
010	Board Of Supervisors -5th District	744,668	744,668
	Total	744,668	744,668

011 - CLERK OF THE BOARD

Operational Summary

Mission:

The Mission of the Clerk of the Board of Supervisors is to provide the County and its citizens easy access to information and guidance to facilitate fair, equitable and open participation in the decision and policy making of Orange County government.

Strategic Goals:

- Facilitate the decision and policy making of Orange County government.
- Ensure the assessment appeals process is fair, timely and equitable; and promote public understanding of the process.
- Ensure records are maintained, legislative history of the County is preserved and documents are readily available to our clients.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
PERCENT OF ACCURATE BOARD OF SUPERVISORS AGENDA TITLES. What: Measurement of COB's accuracy and training. Why: Assesses COB's quality & accuracy in preparing the agenda and identifies areas requiring training.	99.3% of published agenda titles were accurate with no errors.	99% of agenda titles are published with no errors.	COB has consistently maintained a high level of accuracy.
PERCENT OF ACCURATELY COMPLETED AND TIMELY FILED ASSESSMENT APPEALS APPLICATIONS. What: Indicator of taxpayers' and agents' understanding of applications and process. Why: Measures success of the COB's training and outreach efforts to the public and tax agents.	88.3% of appeal applications were completed accurately and timely filed.	85% of applications accurately completed and timely filed.	Current litigation regarding 2% cap on annual property tax value increase has created public confusion for this filing period.
PERCENT OF ASSESSMENT APPEAL CLAIMS DECIDED OR WAIVED WITHIN 2 YEAR DEADLINE. What: Indicator of success managing caseload to ensure required actions are taken before legal deadline. Why: Assesses whether policies and procedures result in processing appeals within the statutory deadline.	99.5% of 2001 appeals have been resolved or waivers received. Cases in litigation included in unresolved. COB anticipates similar results for appeals filed in 2002.	100% of appeals resolved or waivers filed, excluding cases in litigation.	COB meeting goal due to manageable number of filings and quality tracking of database information and appeals.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	2,224,505
Total Final FY 2003-2004 Budget:	2,321,697
Percent of County General Fund:	0.09%
Total Employees:	32.00

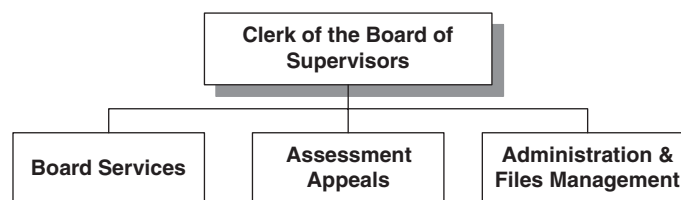
Key Outcome Indicators: (Continued)

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
PERCENT OF ASSESSMENT APPEALS HEARINGS HELD WITHIN ONE YEAR OF FILING. What: Indicator of efficiency in processing and scheduling appeals. Why: Measures COB's success in bringing timely resolution to property value disputes.	100% of 2002 filings held initial hearings within one year, excluding those with applicant waivers filed.	100% of hearings scheduled within one year, excluding filings with applicant waivers.	With filings remaining at a manageable level for several years and usage of automation, COB has been successful in providing this level of client service.
RESULTS OF CUSTOMER SATISFACTION SURVEYS. What: Measurement of success in meeting clients' needs. Why: Assesses COB's success in meeting the needs of its customers in a professional and courteous manner.	COB has received favorable ratings from 96%-100% of respondents.	97% rating of services as good or outstanding.	COB has received favorable ratings from 95%-100% of its clients.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Completed Phase III of Comprehensive Agenda Management Solution (CAMS). All County agencies/departments have now received training and can electronically create, share and submit their agenda items. Those staff reports and their back-up are then available via the internet for online viewing.
- Implemented e-file assessment appeals forms that can be completed and filed online.
- Completed design plan for Planning Commission Hearing Room ADA and security renovation. Construction of project has been deferred due to budget constraints.
- Received Board approval of agreement with vendor to market and sell County developed software products, "Conflict of Interest" and "Boards, Commissions and Committees". COB will receive all software upgrades at no additional cost and royalty payments on sales up to cost of development.

Organizational Summary



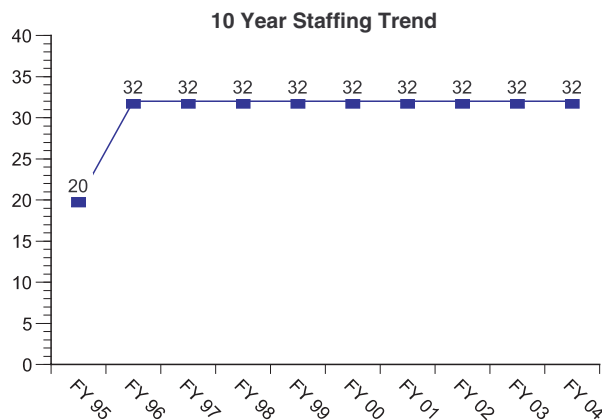
COB - EXECUTIVE - Provides leadership and vision, management oversight and direction to all COB functions; performs administrative functions including budget preparation and monitoring, strategic financial projections, human resources, legislative analysis, prepares business plan and monitors progress in meeting goals and performance indicators.

BOARD SERVICES - Prepares and publishes agendas for Board of Supervisors and other authorities in accordance with legal requirements for public meetings; records and publishes actions taken by the Board; maintains official rosters of Boards, Commissions and Committees; processes legal publications, postings and notices; receives and administers bid openings for County projects; administers oaths of office for various elected and appointed officials and employees; serves as filing officer for Statement of Economic Interest forms; receives and processes claims, summons and complaints against the County.

ASSESSMENT APPEALS - Receives and processes assessment appeal applications; schedules hearings in accordance with legal requirements; prepares minutes and processes actions of the Appeals Boards and Hearing Officers; provides assistance and education on the assessment appeals process to the general public and professional groups through workshops, brochures and the Internet.

ADMINISTRATION/FILES MGT - Provides files management for all records that the Clerk of the Board is required to maintain; assists County staff and the public with research and retrieval of information; provides technical knowledge and coordination in development and implementation of automation projects; provides end-user system support services; performs purchasing, petty cash and payroll functions for COB and the Board of Supervisors Offices.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Increase to staffing in FY 95-96 due to transfer of assessment appeals intake function from the Assessor. COB has been able to maintain level staffing since that time, largely due to automation of previously labor-intensive activities.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Through use of automation developed and implemented over the past few years, COB has been able to reduce ongoing operational costs and maintain level staffing. COB will continue to pursue cost savings and revenue enhancements where efficient and cost-effective. Ideas implemented include reducing printing costs by distributing materials electronically, sale of County-developed software and scheduling changes to reduce the number of assessment appeal board hearings required.

Changes Included in the Base Budget:

Revenue for 03-04 has been reduced by \$40,000 due to deferral by the State of SB90 payments for mandated costs.

Increase to salaries and employee benefits budget is due to negotiated wage increases and increased costs of retirement and health insurance.

In order to meet the 03-04 NCC limit, COB was required to reduce its services and supplies budget by over \$150,000. Areas targeted for reduction are telephone charges, printing, temporary help, general office supplies, building maintenance and improvements and deferral of year 2 planned replacement of computer monitors. COB will also be exploring scheduling changes to reduce the number of assessment appeal board hearings and stipends paid.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	32	32	32	0	0.00
Total Revenues	64,974	45,613	7,635	8,800	1,165	15.26
Total Requirements	2,423,867	2,352,634	2,282,643	2,321,697	39,054	1.71
Net County Cost	2,358,893	2,307,021	2,275,008	2,312,897	37,889	1.67

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Clerk of the Board in the Appendix on page 443.

Highlights of Key Trends:

- COB will continue to pursue new automation and enhancements to existing systems when it is cost effective and provides greater access to information and services.
- COB will continue to review its work flow to increase efficiencies and eliminate any duplicative or unnecessary work products.
- Assessment Appeal filings have remained at a manageable level for several years, but the trend could be impacted by economic, legislative and legal factors.
- COB workload and required resources could be negatively impacted by current litigation, in the short-term to research and provide requested information and in the long-term by potential outcomes of the cases.

Budget Units Under Agency Control

No.	Agency Name	Cob - Executive	Board Services	Assessment Appeals	Administration/Files Mgt	Total
011	Clerk Of The Board	326,066	515,828	845,066	634,737	2,321,697
	Total	326,066	515,828	845,066	634,737	2,321,697

017 - COUNTY EXECUTIVE OFFICE

Operational Summary

Mission:

The mission of the County Executive Office (CEO) is to support and implement Board policy and direction through corporate direction and leadership, communication and coordination of strategic and regional planning and to ensure effective service delivery through efficient management of the County's workforce and resources.

Strategic Goals:

- Goal 1: Facilitate, support and ensure the implementation of decisions by the Board of Supervisors.
- Goal 2: Improve County government's effectiveness in addressing community issues and needs.
- Goal 3: Ensure the financial strength and integrity of the County of Orange.
- Goal 4: Preserve and advance the interests of the Orange County community by working with other levels of government and by ensuring regional issues and needs are addressed.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
BOARD RATING OF CEO SUPPORT What: Board Members rate quality of support provided by CEO Why: To provide CEO with feedback on quality of support provided to the Board	Develop survey instrument	Conduct survey	Survey being developed
AGENCY/DEPARTMENT RATING VALUE OF CEO'S STRATEGIC, FINANCIAL, TECHNOLOGY AND HUMAN RESOURCES SUPPORT What: Feedback on agency/department assessment of CEO's strategic, financial, technology and HR support Why: To measure the effectiveness of leadership and services provided by the CEO to agencies/ departments	Develop survey instrument	Conduct survey	Survey being developed
COUNTY OF ORANGE CREDIT RATINGS What: Ratings by major bond rating companies (Moody's, S&P, Fitch) Why: Credit ratings are indicative of financial credit worthiness and factor into borrowing costs	Maintain County's rating by Moody's of Aa2.	Maintain / Improve rating	Moody's rating of Aa2 is the highest County credit rating ever

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	18,166,133
Total Final FY 2003-2004 Budget:	21,570,662
Percent of County General Fund:	0.88%
Total Employees:	145.00

Key Outcome Indicators: (Continued)

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
COUNTY PROPOSED BUDGET CONSISTENCY, MEASURED IN DOLLARS AND PROJECTS, TO STRATEGIC FINANCIAL PLAN What: Indicates extent to which departments consider SFP in developing programs/budget Why: The annual budget implements the first year of the SFP requiring the two to be consistent	The Strategic Financial Plan (SFP) was funded for 17 projects	Incorporate the elements from the five balancing strategies used in the 2003 Strategic Financial Plan into the FY 03-04 recommended budget	The budget was about \$567 million with 17 strategic priorities. The 02-03 Budget was within 13% of the plan with all 17 of the planned projects funded. The budget exceeded the 2002 SFP due to: Department operating expenses, a higher fund balance available and use of Theo Lacy reserve to reduce debt
LOCAL GOVERNMENT RATINGS OF REGIONAL SERVICES AND COORDINATION PROVIDED BY THE COUNTY What: Feedback on percent of local government officials who positively rate Orange County CEO leadership Why: Provides CEO with an indicator of the quality of leadership the office is providing to the community	Develop survey instrument	Conduct survey	Survey being developed
LEGISLATIVE AGENDA SATISFACTION What: Agencies/departments satisfaction with the CEO's legislative agenda and results Why: Provides CEO a measure of success in defining legislative agenda and achieving favorable results	Develop survey instrument	Conduct survey	Survey being developed

Fiscal Year FY 2002-2003 Key Project Accomplishments:

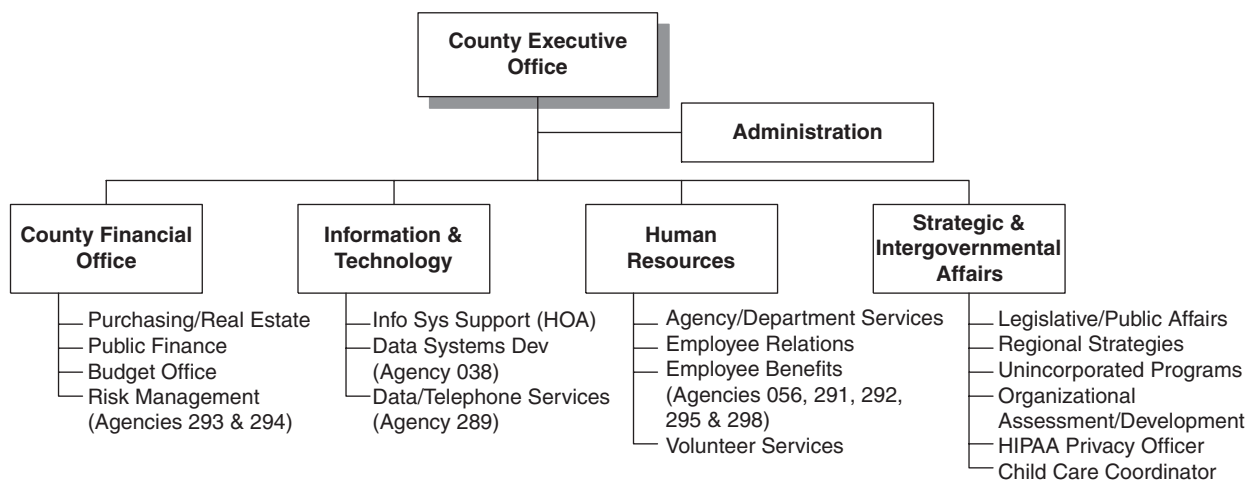
- GOAL 1: Facilitate, support and ensure the implementation of decisions by the Board of Supervisors
- The 2002 County Strategic Financial Plan was adopted by the Board on October 30, 2001
- The Board approved the addition of an Assistant to the Chief Information Officer to reduce his span of control and better manage his work responsibilities
- The 2003 Business Plan process was implemented, with final plans due in February, 2003
- Initiated a collaborative process utilizing a committee of agency/department heads to recommend direction for CEO and Board consideration in development of the 2003-04 budget
- Prepared four quarterly budget reports for the Board to keep the 2002-03 annual budget updated
- Monitored State legislative activity closely to assess potential impacts to the 2002-03 budget.
- The Community Indicators Report was updated and published in February, 2002
- Reviewed all Board agenda items, and facilitated improvements to the processing of agenda items
- Initiated contact with the Supervisor-elect for the Fourth District to facilitate his orientation to office in January, 2003
- Finalized the reorganizations of the Public Facilities Resources Department and the Health Care Agency
- Established IHSS Public Authority and conducted exclusive recognition election for IHSS workforce
- Negotiated various County workforce programs including 2% at 50 for Probation Department; 3% at 50 for Sheriff's Department; Annual Leave for OCEA and SEIU; and training and development program for IT professionals
- Received Honorable Mention award from CSAC for Partnership for Progress program (OCEA Negotiations process)
- Received OCTA Transportation Partnership Award for Communications associated with the Commuter Assistance Program

- Established working group to assess Countywide construction practices and develop a Countywide labor code compliance program
- Sponsored Job Accommodation Network (JAN) symposium for 125 HR professionals
- GOAL 2: Improve County government's effectiveness in addressing community issues and trends
- Completed implementation of the Results Oriented Government component of the Corporate Management System ensuring that every agency and department has meaningful and measurable performance indicators
- The County of Orange received an overall grade of "B" in a national evaluation by Governing Magazine for its financial, HR, IT and Infrastructure programs
- Resolved all labor impacts for a variety of issues including the creation of the Child Support Services Department (SB739) implementation
- Developed, implemented and/or enhanced leadership programs including: LEAD, Executive LEAD and employee self-leadership
- Implemented Board-adopted Employee Recognition Program
- Worked collaboratively with labor to identify and implement PIP program changes; developed and provided PIP Refresher training to approximately 2400 supervisors and reviewers and provided Mediation training to 75 employees and managers to support the PIP Conciliation process
- Continued to support and enhance the role of the LMC's
- Completed assessment of MPP and implemented changes recommended by consultant and Department Head Advisory Committee
- Completed Countywide study to determine the cost of recruiting and developed a plan for the Future of Recruitment and Selection in the County
- Developed and implemented enhancements to key HR systems including the Virtual Application, Advantage Desktop, the Data Warehouse and the home pages for the internet and intranet. Functions that were automated included: the annual Rideshare survey; the Interactive Volunteer Interpreters Website; various CEO publications and Employee Relations processes; online Benefits open enrollment and over 5000 separated personnel files
- Established and implemented process to align classification and workforce planning with business planning, strategic financial planning and budgeting
- Draft of HR Strategic Plan was completed
- Planned and implemented the 2002 Volunteer Recognition ceremony which honored 53 volunteers and was attended by approximately 300 guests
- Completed decentralization of AHRS approvals and transitioned CAPS/Records
- Continued working with HCA and Risk Management to restructure and enhance disability management program by implementing an "interactive process" procedural requirement, the elimination of certain Class 1 physicals, and the establishment of a streamlined process to ensure improved compliance with ADA for new employees
- In collaboration with labor organizations, developed and implemented the enhanced 2002 Benefits design for PPO and HMO health plans and the new Health Care Reimbursement Account (HCRA)
- Developed the 2002-03 Marketing plan for the County as an Employer of Choice
- Through CEO/HR's efforts in recruiting, consultation and coordination of the Volunteer Program, provided the County with over \$28 million in services from interns and volunteers
- Established Countywide policy on employee use of the internet

- Enhanced County technology by increasing use of web services and wireless technology and completing enhancements to the Wide Area Network
- County's web portal expanded and enhanced. Portal templates developed for use uniformly throughout County of Orange
- Wireless initiatives started in two departments. HOA wireless pilot completed and evaluated
- Terminal Server services pilot initiated
- Wireless PDA services provided
- Continued to effectively manage and monitor the County data communications ACS Outsourcing Contract
- Contract monitored and managed. Annual Customer Satisfaction Survey administered and completed. Other County Agencies have been assisted in their access to the services available under the contract
- Continued to engage the IT Steering Committee in IT policy development and long-range strategic planning and the IT Operations Committee in operational and implementation matters
- Scheduled and chaired quarterly IT Steering Committee and IT Operations Council meetings
- Developed a strategy for addressing long-term IBM mainframe usage and cost recovery issue
- Leased IBM mainframe to meet temporary need. Started strategy development process to assess and meet long term mainframe computing needs
- Continued to participate in the Oversight Committees for the CAPS and the Assessment Tax systems and provide technical assistance, as requested by the Registrar of Voters in the selection of a new voting system
- Participated in CAPS and ATS Steering Committees. Assisted in selection process for new voting system
- Continued to develop and enhance CEO systems including AHRS; Virtual Application, Data Warehouse, BRASS and the online Purchasing system
- GOAL 3: Ensure the financial strength and integrity of the County of Orange
- Developed 2002 Strategic Financial Plan approved by the Board on October 30, 2001
- On April 24, 2002, the County issued \$80.3 million of lease revenue bonds to refund the Juvenile Justice Center and finance the cost of the Treasurer's Treasury Management System resulting in a \$5.4 million savings to the County General fund, or \$450,000 per year.
- Presented a balanced budget for 2002-03, adopted by the Board on June 25, 2002
- Moody's continued the County's credit rating of Aa2, and Standard and Poor's upgraded the County's rating from A to A+
- Ladera Ranch Community Facilities District No. 2001-1 (Phase III) financing in the amount of \$33 million was finalized to fund public facilities and improvements in the district
- Conducted summer investor relation meetings in New York
- Improved coordination with Orange County Employees Retirement System on various retirement-related policy and financial issues, and reached agreement on the ARBA (Additional Retirement Benefit Account) which offers assurance to retirees on continued health care subsidies
- Developed new strategies to secure new insurance protection and bar new liability exposures related to terrorism
- County issued Apartment Development Revenue bonds in the amount of \$8 million to finance 61 rental units for low income families at Mendocino at Talega Apartment Homes
- Assisted 65 very low income to moderate income, first-time home buyers secure financing in 2002

- In partnership with Los Angeles County through a joint powers authority (Southern California Home Financing Authority), issued Series 2002 bonds in the amount of \$20 million for mortgage financing for first-time buyers
- Successfully transitioned the Family Support Division from the District Attorney to create a new agency called Child Support Services
- Updated qualified list of panels for financial advisory, bond counsel, and underwriting services
- Developed and implemented comprehensive safety, loss prevention and insurance programs for the County
- Settled Ventura lawsuit including agreement with OCERS that provides the County greater flexibility in the use of the Investment Account
- Developed and coordinated the process for employee and LMC participation in creating Countywide efficiencies and cost reductions
- Initiated review of the fiscal operations of the Planning and Development Services Department
- GOAL 4: Preserve and advance the interest of the Orange County Community by working with other levels of government and ensuring regional issues and needs are addressed
- Completed a very active and successful legislative program in Sacramento and Washington, D.C.
- Facilitated discussions and agreement with the City of Anaheim to implement the Tiger Woods Learning Center
- Trained 2,559 County employees in various loss prevention and safety classes
- Facilitated expansion of the Registrar and Elections Department poll workers program to include County employees
- Facilitated Office of Aging in assessing organizational change to improve delivery of services
- Newport Coast annexation
- Board approval of unincorporated area County island Revitalization Strategic Plan
- Completed first watershed study with municipal, special district, State and Federal partners
- Drafted child care strategic plan to be presented to Board in 2003

Organizational Summary



COUNTY EXECUTIVE OFFICE - The County Executive Office (CEO) is the executive branch of Orange County government. The CEO is responsible for providing leadership, vision, and a knowledge of emerging trends and issues for the purpose of supporting and implementing Board policy, and to ensure that the County of Orange is operated in an efficient, accountable, and responsive manner. The County Executive Officer provides direction to all County agency/department heads directly assigned, and provides administrative oversight to those department heads that report directly to the Board.

COUNTY FINANCIAL OFFICE - Provides leadership and manages the overall financial operations of the County. Major responsibilities include long range strategic financial planning, public finance, risk management, budget, corporate business planning, corporate purchasing and real estate support.

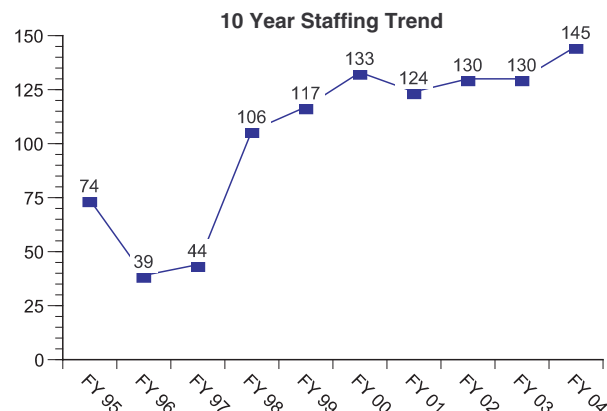
INFORMATION & TECHNOLOGY - Provides leadership in the planning and implementation of corporate information technology investments to achieve County goals and objectives. Major responsibilities include data center operations, wide and local area network operation and support, applications development and programming, and telephone services.

HUMAN RESOURCES - Provides leadership in change management, and in developing organizational design, best practices and people strategies that allow the County to attract, select, and retain business-required talent. Major responsibilities include labor contract negotiation and interpretation, development of human resource policy and program initiatives designed to encompass public/private best practice strategies, policy compliance auditing, benefits administration, and employee development and training programs.

STRATEGIC & INTERGOV AFFAIRS - Provides leadership in the planning and establishment of effective governance structures and relationships for the accomplishment of County corporate, as well as regional goals and objectives. Major responsibilities include coordination of all Federal and State legislative advocacy efforts, conducting organizational assessments, providing oversight and coordination of

a number of critical regional issues (e.g., child care, annexation/ incorporations), and administering the Orange County Development Authority, the Comprehensive Economic Development Strategy and tourism activities, and the Health Insurance Portability and Accountability Act.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- FY 97/98 - As a result of County restructuring, the Office of Human Resources (HR), Purchasing, Real Estate, and the Records Management Program (Record Center), and an accompanying 62 positions, merged into the County Executive Office. Prior to FY 97/98, the Office of HR was an independent operating agency, and Purchasing, Real Estate, and the County Records Center were divisions within General Services Agency, which was disbanded during the restructuring process.
- FY 98/99 - Positions increased to support strategic priorities and other activities, such as Real Estate, Homeless Issues Coordination, and El Toro Master Development Program. This included position transfers from other operating agencies, i.e., PF&RD and HCD, to the CEO, as well as some limited-term positions.
- FY 99/00 - Positions increased to support strategic priorities. This included a position transfer from SSA, ongoing program support conversions from extra help to regular, and limited-term positions to support the El Toro Master Development Program.
- FY 00/01 - Positions decreased as limited-term positions related to El Toro MCAS were deleted.
- FY 01/02 - One position added to Human Resources for clerical support of the Volunteer Program and virtual employment center. Two long term extra help positions converted to regular positions; one for Strategic Affairs

to support Media Relations and one to support CEO Administration. Four positions transferred in from Data Systems to support the Hall of Administration. In the Final Budget one additional position added in Purchasing to jointly support both Children and Families Commission and the LRA. Mid year, in 00-01, four positions transferred from CEO to the Local Redevelopment Authority and two positions added for the Watershed Program and child care coordination.

- FY 02/03 - One position transferred to Housing and Community Development for coordination of homeless issues. One position transferred in from Information and Technology ISF to provide purchasing support.
- FY 03/04 - One position deleted in Human Resources as a result of the Strategic Financial Plan reductions. Two positions transferred in to support the new federal mandate for Health Insurance Portability and Accountability Act(HIPAA). Ten positions transferred in from Employee Benefits as Limited Term for CEO IT pilot project for scanning County documents. Four positions added as an augmentation to CEO purchasing to accomplish the goals of the Board's Ad Hoc Committee recommendations.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The County Executive Office will lead the Board's strategic planning process, update the Strategic Financial Plan and continue development and implementation of the County's Corporate Management System, integrate and coordinate regional planning efforts, provide leadership in the development of the County's human resources, technology, financial and administrative functions, and support the Board in developing and pursuing the Orange County Legislative Platform.

Changes Included in the Base Budget:

Revenue for FY 03-04 includes elimination of \$300,000 from Strategic Financial Plan funding of Human Resources workforce issues, a decrease of \$39,000 in reimbursement charges to OCDA and a \$13,000 decrease in charges to Superior Court for records retention.

Appropriations include an overall decrease of \$2,307,000, largely due to budget reductions identified in the Strategic Financial Plan, including watershed, economic development, college interns, employee recognition and training programs. Increased salary and insurance costs were also absorbed in this overall decrease.

Two positions transferred in from the Health Care Agency to support new Federal mandate, under the Health Insurance Portability and Accountability Act (HIPPA). Ten limited-term positions transferred in from Employee Benefits to CEO/Information Technology to support a pilot project for scanning County documents.

Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
Purchasing Amount: \$ 0	Addition of two Senior Staff Analysts for Ad Hoc RFP Committee implementation	Successful review of solicitations and contracts without delaying issuance	017-003
Purchasing Amount: \$ 0	Addition of two Staff Analyst III for Ad Hoc RFP Committee implementation	Successful support to agencies with low volume	017-004
BOARD INTRODUCED Amount: \$ 599,750	Reinstate funds for Arts, Film Commission, Tourism, and O.C. Business Council.	N/A	017-006

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	132	132	145	13	9.85
Total Revenues	2,665,786	2,704,466	2,727,184	2,339,066	(388,118)	-14.23
Total Requirements	17,604,117	22,490,955	17,937,006	21,570,662	3,633,656	20.26
Net County Cost	14,938,331	19,786,489	15,209,821	19,231,596	4,021,775	26.44

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: County Executive Office in the Appendix on page 449.

Highlights of Key Trends:

- FY 03-04 will again be dominated by the Governor and State legislature's handling of the now projected \$35 billion State budget deficit, local community demands for

additional services to address security concerns, and the Orange County Superior Court's ruling on the property tax assessment methodology process.

Budget Units Under Agency Control

No.	Agency Name	County Executive Office	County Financial Office	Information & Technology	Human Resources	Strategic & Intergov Affairs	Total
004	Miscellaneous	0	164,229,778	0	0	0	164,229,778
016	Recovery Cop Lease Financing	0	64,403,752	0	0	0	64,403,752
017	County Executive Office	4,236,071	6,187,724	1,798,906	4,411,905	4,936,056	21,570,662
019	Capital Acquisition Financing	0	8,855,715	0	0	0	8,855,715
023	Office Of Protocol & International Business Dvlp	0	0	0	0	175,000	175,000
036	Capital Projects	0	45,049,653	0	0	0	45,049,653
038	Data Systems Development Projects	0	0	14,876,440	0	0	14,876,440
056	Employee Benefits	0	0	0	7,411,168	0	7,411,168
081	Trial Courts	0	67,677,183	0	0	0	67,677,183
099	Provision For Contingencies	0	5,000,000	0	0	0	5,000,000
104	Criminal Justice Facilities - Aco	0	9,711,925	0	0	0	9,711,925
105	Courthouse Temporary Construction	0	4,728,987	0	0	0	4,728,987
135	Real Estate Development Program	0	15,128,336	0	0	0	15,128,336
13A	Litigation Reserve Escrow	0	187,186	0	0	0	187,186
13J	Children'S Waiting Room Fund	0	549,132	0	0	0	549,132
13L	Telecommunications 2001 Equipment Fund	0	0	3,134,374	0	0	3,134,374
13N	OC Tobacco Settlement Fund	0	41,455,484	0	0	0	41,455,484
145	Revenue Neutrality Fund	0	8,594,448	0	0	0	8,594,448



Budget Units Under Agency Control

No.	Agency Name	County Executive Office	County Financial Office	Information & Technology	Human Resources	Strategic & Intergov Affairs	Total
14B	County Public Safety Sales Tax Excess Revenue	0	39,608,094	0	0	0	39,608,094
14F	Deferred Compensation Reimbursement (Ceo)	0	0	0	7,417,669	0	7,417,669
14L	Local Law Enf Block Grant	0	192,902	0	0	0	192,902
14U	Court Facilities Fund	0	1,728,297	0	0	0	1,728,297
14V	Debt Prepayment Fund	0	93,996,145	0	0	0	93,996,145
14X	Tobacco Settlement Fund	0	1,474,128	0	0	0	1,474,128
14Y	Indemnification Reserve	0	1,137,237	0	0	0	1,137,237
14Z	Litigation Reserve	0	3,401,800	0	0	0	3,401,800
15J	Pension Obligation Bonds Debt Service	0	165,485,945	0	0	0	165,485,945
15P	Refunding Recovery Bonds	0	58,405,404	0	0	0	58,405,404
15R	Debt Reduc/Future Essential Operating Requirements	0	1,557,153	0	0	0	1,557,153
15S	Designated Special Revenue	0	57,349,944	0	0	0	57,349,944
289	Information & Technology ISF	0	0	52,959,216	0	0	52,959,216
291	Unemployment ISF	0	0	0	6,405,943	0	6,405,943
292	County Indemnity Health ISF	0	0	0	69,675,437	0	69,675,437
293	Workers' Compensation ISF	0	42,524,515	0	0	0	42,524,515
294	Property & Casualty Risk ISF	0	34,930,364	0	0	0	34,930,364
295	Retiree Medical ISF	0	0	0	50,976,748	0	50,976,748
298	Self-Insured Benefits ISF	0	0	0	7,219,023	0	7,219,023
486	Ladera CFD 2002-01 Construction	0	52,999,000	0	0	0	52,999,000
487	Ladera CFD 2002-01 Debt Service	0	13,550,000	0	0	0	13,550,000
599	OC Special Financing Authority	0	168,915,242	0	0	0	168,915,242
9A0	Public Financing Program (Pgm III)	0	63,731,748	0	0	0	63,731,748
9B0	Public Financing Program (Pgm V)	0	103,196,189	0	0	0	103,196,189
9C0	Public Financing Program (Pgm Vi)	0	266,796,927	0	0	0	266,796,927
Total		4,236,071	1,612,740,337	72,768,936	153,517,893	5,111,056	1,848,374,293

023 - OFFICE OF PROTOCOL & INTERNATIONAL BUSINESS DEV.

Operational Summary

Description:

To establish an international identity for Orange County as a dynamic commercial, scientific, and cultural community. To promote interaction between the Orange County business and social community and international leaders to further the economic and cultural development of the County. To stimulate international investment and trade by providing foreign dignitaries with assistance in organizing their visits and extending local courtesies, arranging reception, and media coverage.

Strategic Goals:

- The Office will foster cultural, civic and educational exchanges between the County and the international community; promote tourism and international trade opportunities for Orange County businesses; and showcase the business opportunities of Orange County to international investors. Additionally, the Office will facilitate the transition from a County supported operation to a private/public partnership.

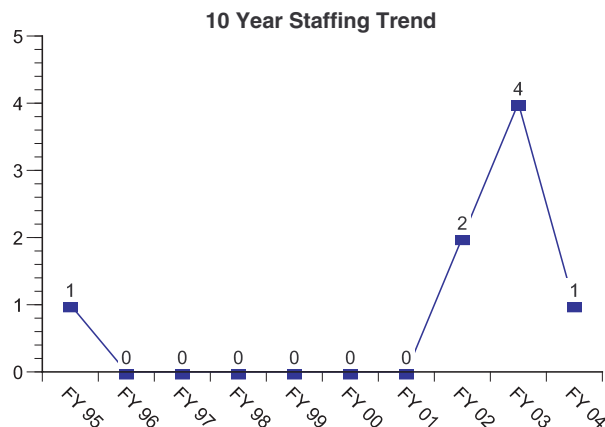
Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Showcased international business potential of Orange County by arranging informational and trade seminars for the Consular Corps, national and international trade organizations; and co-founded World Trade Week in Orange County.
- Facilitated international trips to foster economic development for Orange County, and develop trade machines for local businesses with Consulates and international businesses.
- Conducted a variety of cultural exchanges with delegations from around the world.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	233,416
Total Final FY 2003-2004 Budget:	175,000
Percent of County General Fund:	0.01%
Total Employees:	1.00

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- The only regular County position was eliminated after the bankruptcy and the office was subsequently staffed by volunteers. In the years following, the Office of Protocol grew from one contract employee to two limited-term positions to provide adequate staffing. In December 2001, the Board approved the addition of an Inter-

national Business Development function and two additional employees to respond to the significant international business opportunities available to Orange County businesses. Consistent with Board direction for balancing the Strategic Financial Plan, the Office of Protocol's staffing was reduced to one limited-term position for FY 2003-04.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Office of Protocol will help the County of Orange expand economic prospects for its businesses and residents.

Changes Included in the Base Budget:

Consistent with Board direction for balancing the Strategic Financial Plan, the Office of Protocol's budget was reduced to \$175,000 for FY 2003-04, with one limited-term position.

Approved Budget Augmentations and Related Performance Results:

Unit/Amount	Description	Performance Plan	Ref. Num.
BOARD INTRODUCED	Restore funding and 1 limited-term position for	N/A	023-001
Amount:\$ 175,000	Office of Protocol.		

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	0	0	1	1	0.00
Total Revenues	0	0	0	175,000	175,000	0.00
Total Requirements	195,797	464,612	233,416	175,000	(58,416)	-25.03
Net County Cost	195,797	464,612	233,416	0	(233,416)	-100.00

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Office of Protocol & International Business Dev. in the Appendix on page 454.

Highlights of Key Trends:

- The Office of Protocol and International Development will focus on its strategic goals; the Office additionally will work to secure private sector support for its opera-

tions.

135 - REAL ESTATE DEVELOPMENT PROGRAM

Operational Summary

Mission:

This Fund contains appropriations for up-front costs related to real estate development projects such as advance planning, appraisals, advertising, etc. Revenue from such projects is then transferred to the General Fund. Rents from automated teller machines, cafeterias, and vendor carts are the primary sources of ongoing revenue.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	150,855
Total Final FY 2003-2004 Budget:	15,128,336
Percent of County General Fund:	N/A
Total Employees:	0.00

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Approximately \$130,000 will be transferred to the General Fund in FY 02-03.

Budget Summary

Changes Included in the Base Budget:

Approximately \$15 million will be transferred to the General Fund as a result of anticipated Surplus Property/Note sales. Sales in Santa Ana, Santa Ana Heights, Westminster, and Anaheim have been projected and included in the balancing of the 2003 Strategic Financial Plan.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Revenues	30,569	183,162	115,819	15,128,336	15,012,517	12,962.06
Total Requirements	8,050	183,162	110,532	15,128,336	15,017,804	13,586.82
Balance	22,519	0	5,287	0	(5,287)	-100.00

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Real Estate Development Program in the Appendix on page 538.

Highlights of Key Trends:

- Revenue for leases and licenses is anticipated to be level for the next few years. Surplus property sales are anticipated for FY 03-04

025 - COUNTY COUNSEL

Operational Summary

Mission:

To provide the highest quality legal advice and representation to the Board of Supervisors, elected and appointed department heads, County agencies/departments and staff, and Board-governed special districts.

Strategic Goals:

- Provide highly competent legal advice to clients on matters related to their public duties and responsibilities in the administration of the public's business, in accordance with high ethical and professional standards.
- Effectively prosecute and defend civil actions in which clients are involved.
- Deliver all legal services to clients as efficiently and economically as possible.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
PERCENTAGE OF AGENCIES RATING ADVISORY SUPPORT AS SATISFACTORY IN TERMS OF QUALITY & RESPONSIVENESS. What: Measurement of quality and effectiveness of services provided. Why: Client satisfaction is the primary measure of success for a service agency.	100% based on survey of clients.	Continue to be rated as in 2002.	Met goal.
PERCENTAGE OF WRITTEN OPINIONS CHALLENGED IN COURT OR ADMINISTRATIVE PROCEEDINGS. What: Measurement of the quality of legal advice. Why: Provides measure of quality of services provided.	Two opinions challenged (1%).	Maintain at 5% or less.	Exceeded goal.
PERCENTAGE OF CHALLENGED WRITTEN OPINIONS THAT ARE UPHELD. What: Measurement of the quality of legal advice. Why: Provides measure of quality of services provided.	Two opinions upheld (100%).	Maintain 90% or better rate of success.	Exceeded goal.

Key Outcome Indicators: (Continued)

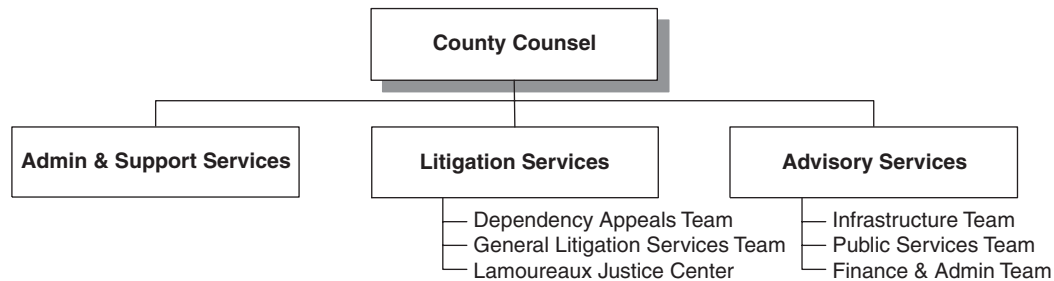
Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
PERCENTAGE OF CLIENTS RATING LITIGATION SUPPORT AS SATISFACTORY IN TERMS OF QUALITY/RESPONSIVENESS. What: Measurement of quality and effectiveness of services provided. Why: Client satisfaction is the primary measure of success for a service agency.	100% based on survey of clients.	Continue to be rated as in 2002.	Met goal.
PERCENTAGE OF DEPENDENCY CASES UPHELD ON APPEAL. What: Measurement of the quality of services provided by County Counsel. Why: Provides measure of quality and effectiveness of services provided.	90% were upheld on appeal.	Maintain 90% or better rate of success.	Met goal.
PERCENTAGE OF MENTAL HEALTH CASES WON OR RESOLVED WITH APPROVAL OF CLIENT. What: Measurement of the quality of services provided by County Counsel. Why: Provides measure of the quality and effectiveness of services provided.	93% won or resolved.	Maintain 90% or better rate of success.	Exceeded goal.
PERCENTAGE OF GENERAL LITIGATION CASES WON OR RESOLVED WITH APPROVAL OF CLIENT. What: Measurement of the quality of services provided by County Counsel. Why: Provides measure of quality and effectiveness of services provided.	Estimated to be 90-95%.	Maintain 90% or better rate of success.	Met or exceeded goal.
PERCENTAGE OF CLIENT REQUESTS FOR LEGAL ADVICE RESPONDED TO WITHIN 30 DAYS. What: Measurement of the timeliness and effectiveness of services provided. Why: Provides measure of quality and effectiveness of services provided.	In 1998, baseline inventory of opinion requests showed 200+ to be unanswered within 30 days of receipt. January 2003 inventory showed 60 opinion requests in that category (30% of 1998 baseline). Office goal is 25% of baseline.	Maintain inventory of 30 day old opinion requests below 25% of 1998 baseline.	Did not meet goal. Opinion request backlog has risen above target level, even though opinion productivity is up 30%.
PERCENTAGE OF CLIENTS RATING LEGAL SERVICES AS SATISFACTORY OR BETTER IN TERMS OF TIMELINESS. What: Measurement of timeliness of services provided. Why: Client satisfaction is the primary measure of success for a service agency.	100% based on survey of clients.	Continue to be rated as satisfactory by 100% of client agencies in terms of timeliness.	Met goal.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Provided substantial unprogrammed hours of attorney time to meet new and increased client needs, e.g., water quality, tax litigation, contract review, Health Insurance Portability and Accountability Act (HIPAA), Dana Point Harbor leases, sale of Newport Dunes Marina, and Housing/Community Development's new loan program.
- Provided substantial legal support to JWA on post 9/11 legal requirements for enhanced security, agreements between the County and the Transportation Security Administration related to 100% baggage screening, and extension of noise and operational constraints.
- Developed ordinance relative to minimum levels of property maintenance in areas of County jurisdiction.

- Provided substantial training to clients, e.g., Assessor, Social Services Agency, Public Administrator/Public Guardian, Health Care Agency.
- Successfully defended the County in Measure V litigation.

Organizational Summary



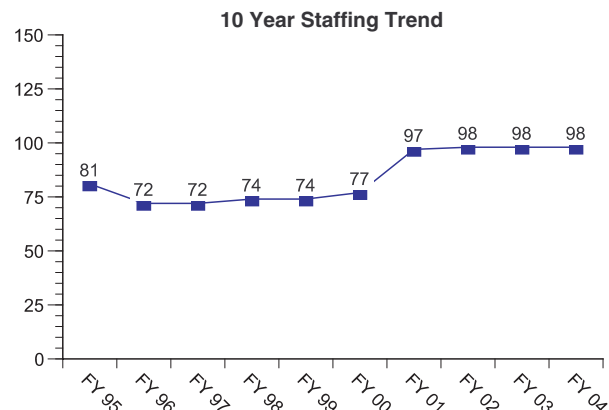
COUNTY COUNSEL - EXECUTIVE - Provides executive management oversight for department. Attends Board of Supervisors' meetings and provides legal services to the Board of Supervisors.

ADVISORY SERVICES - Provides legal advice to officers and employees of the County on matters relating to their duties and responsibilities in the administration of the public business. Drafts and reviews legal opinions, contracts, leases, licenses, permits, deeds and conveyances, franchises and city-County agreements, Ordinances, Resolutions, and bills for introduction in the Legislature. Attends meetings of the Board of Supervisors and other County boards and commissions.

LITIGATION SERVICES - Prosecutes and defends civil actions in which the County or Board-governed districts are involved such as eminent domain proceedings, tax cases, zoning matters, environmental and contract actions, damage suits, and election matters. Provides legal services to the Public Administrator/Public Guardian in conservatorship matters and legal services to the Social Services Agency in Juvenile Court matters concerning abused, abandoned, or neglected children.

ADMINISTRATIVE SUPPORT - Provides administrative, clerical, and general support for the County Counsel and the two other divisions. Responsible for secretarial support to the attorneys, law library support and resources, human resources functions, budget, records management, computer systems and network administration, accounting, safety, and purchasing.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- No new positions were added in FY 03/04 or in FY 02/03.
- One position was added in FY 01/02 in response to client department request for additional service in the area of HCA special education and juvenile client issues.

- Twenty positions were added in FY 00/01 in response to client department requests for additional services in the areas of SSA/Juvenile Dependency and CSA/PA-PG LPS/Probate and for added litigation support.
- Five positions were added from FY 95/96 to FY 99/00 to meet increased service requests by client departments.
- Nine positions were deleted in FY 94/95 due to the bankruptcy.
- One position was deleted from FY 91/92 to FY 93/94. During this period the number of positions fluctuated from a high of 82 in FY 91/92 to a low of 76 in FY 93/94 in response to changing requests for services by client departments.

Budget Summary

Plan for Support of the County's Strategic Priorities:

County Counsel will continue to improve efficiencies, effectiveness, and economies within the department through expanded use of technology for communications, document review and production, and legal research. Staff will also continue to focus on successful implementation of the organizational performance measurement program (ROG), the attorney pay for performance program, and the employee pay for performance program (PIP). County Counsel will continue to use contractors in lieu of adding staff when cost effective.

Changes Included in the Base Budget:

Funding for representation of the Public Administrator/Public Guardian (PA/PG) was transferred from the PA/PG to County Counsel, thereby eliminating the need to cost apply legal services to the client.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	98	98	98	0	0.00
Total Revenues	2,002,126	3,207,165	1,605,020	2,104,500	499,480	31.12
Total Requirements	4,808,612	8,056,918	4,976,621	8,365,053	3,388,432	68.09
Net County Cost	2,806,486	4,849,753	3,371,601	6,260,553	2,888,952	85.68

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: County Counsel in the Appendix on page 455.

Highlights of Key Trends:

- Legal staff is allocated in response to the clients' increasing or decreasing workload, changes in legislation, and addition of programs or program components. State budget uncertainties, which affect client programs, make it difficult to project workload demands. Current areas of increasing workload due to

program expansions and/or legislative changes include water quality, flood control, Health Insurance Portability and Accountability Act (HIPAA), airport, property tax administration, and eminent domain. However, on occasion, clients' program reductions can also increase the need for legal services, such as Bielsen hearings for Health Care Agency or litigation.

Budget Units Under Agency Control

No.	Agency Name	County Counsel - Executive	Advisory Services	Litigation Services	Administrative Support	Total
025	County Counsel	287,266	2,902,638	2,902,394	2,272,755	8,365,053
	Total	287,266	2,902,638	2,902,394	2,272,755	8,365,053

031 - REGISTRAR OF VOTERS

Operational Summary

Mission:

To ensure the integrity of the County's election process through administration of all federal, state, and local election laws in a uniform, consistent, and accessible manner with the highest possible degree of professionalism. Further, we will work to promote public confidence and increase participation by all eligible Orange County citizens in the elections process.

Strategic Goals:

- Increase full participation by Orange County's citizens in the elections process.
- Ensure the accuracy of the elections process.
- Ensure public confidence in the elections process.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
INCREASE PERCENTAGE OF REGISTERED VOTERS VOTING. What: Increase voter participation. Why: This will encourage more eligible citizens to participate in the election process.	Registrar of Voters average was better than the State as a whole.	Working our new plan we anticipate the numbers to increase in the next major election over the 2002 elections and get back to and possibly increase over the last Presidential election of 2000.	An advisory committee has been formed and meets regularly to discuss ways to increase the number of voters. The public's reported dislike of both major party candidates undoubtedly hurt our numbers in 2002, as it did statewide.
ENSURE THE ACCURACY OF THE INITIAL VOTE COUNT AGAINST THE 1% MANUAL RECOUNT. What: Accuracy of the initial vote count against the 1% manual recount. Why: Maintain and improve voter confidence in the accuracy of the voting process.	100% accuracy.	The mandated 1% manual recount will confirm the accuracy of the initial machine count.	The count MUST be accurate and the Registrar of Voters has never failed to match the count with the 1% manual recount.
INCREASE THE PERCENTAGE OF VOTERS THAT ARE SATISFIED WITH THE ELECTIONS PROCESS. What: Increase the percentage of voters that are satisfied with the elections process. Why: Public perception of election accuracy is as important as the competent conduct of the election.	Not previously measured.	We anticipate that by the next major election cycle that a high percentage of voters will be satisfied with the election process. The poll will be taken approximately a week after the election for most accurate picture.	Informal surveys have demonstrated a high satisfaction rate. We believe that hiring a pollster to conduct this survey would be best and most accurate. The poll should be done every election cycle in order to properly measure the voter's perceptions.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	13,709,512
Total Final FY 2003-2004 Budget:	27,923,578
Percent of County General Fund:	1.14%
Total Employees:	50.00

Key Outcome Indicators: (Continued)

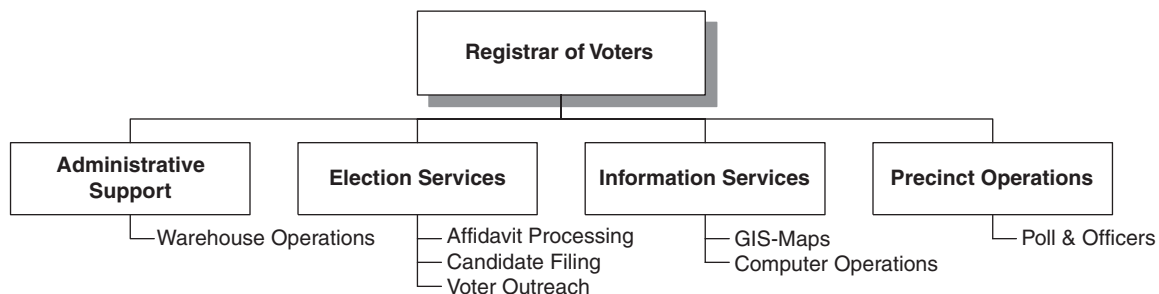
Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
INCREASE THE PERCENTAGE OF ELIGIBLE CITIZENS REGISTERED TO VOTE. What: Percent of eligible citizens registered to vote. Why: It will provide the ability to increase percentage of the voting population.	The increase in the eligible voter population in the County was larger than the increase in registered voters. Although the number of registered voters increased by 22,346, the percentage declined by a minimal.47%.	A significant increase in the percentage of eligible voters being registered.	Although we have an increase of 4.62% in registered eligible voters versus five years ago we have had a decrease of 1.79% over the last two years.
INCREASE PERCENTAGE OF VOTERS WHO ARE CONFIDENT IN THE ACCURACY & INTEGRITY OF THE ELECTION PROCESS. What: Percent of voters who are confident in the accuracy and integrity of the election process. Why: Accuracy and integrity are critical to the election process and stand by themselves.	Not previously measured.	We anticipate that by the next major election cycle, when we believe the poll would be most accurate, that a high percentage of voters will have confidence in the accuracy and integrity of the election process.	Informal surveys done in the past demonstrated a high satisfaction rate within Orange County. However, formal surveys must be done on a continual basis to truly know the public's perception.
INCREASE PERCENTAGE OF COUNTY POPULATION SATISFIED WITH THE ELECTION PROCESS. What: Increase the County population satisfied with the elections process. Why: Random sampling will confirm citizens satisfaction and provide input to improve the system.	Not previously measured.	We anticipate that by the next major election cycle, when we believe the poll would be most accurate, that a high percentage of Orange County's population will be satisfied with the election process.	Informal surveys done in the past demonstrated a high satisfaction rate within Orange County. However, formal surveys must be done on a continual basis to truly know the public's perception.
INCREASE % OF POPULATION WHO ARE CONFIDENT IN THE ACCURACY & INTEGRITY OF THE ELECTION PROCESS. What: Percent of population who are confident in the accuracy and integrity of the elections process. Why: Understanding the level of confidence in elections helps determine how to increase participation.	Not previously measured.	We anticipate that by the next major election cycle, when we believe the poll would be most accurate, that a high percentage of Orange County's population will have confidence in the accuracy and integrity of the election process.	Informal surveys have demonstrated a 95+% satisfaction rate within Orange County. Formal surveys are being prepared.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Full compliance with new federal requirements to provide election materials, and translation services in Korean and Chinese (three dialects) with only three months lead-time.
- Improved efficiency in the Poll Worker Training Process.
- Implementation of the County Poll Worker program.
- Selection of an electronic voting system.
- A major commitment of time was spent on the diligent evaluation of Direct Record Electronic (DRE) voting systems. This process has been completed and our contract has been approved by the Board of Supervisors for purchase of the system.
- The acquisition of funding in the amount of \$26 million (to be paid over three years) to defray the cost of the system and its implementation was important to the County in this year of reduced resources. Proposition 41 provided State funding and the Help America Vote Act will provide supplemental funding for the project, ultimately eliminating the impact of this major program on the County's General Fund.

- The two major elections conducted in 2002 were successful. Post election issues in November underscored the need to replace the aging DataVote system and further develop the department compliance program. However, the November Election was run very successfully in regard to conserving the County's financial resources. Overtime costs and temporary agency staffing were minimized. Although the late notification by the Department of Justice adding two additional language requirements presented a challenge, we were able to respond quickly and effectively. Both the March Primary and November General elections confirmed the need to eliminate the complex vote certification process currently required by the County's DataVote punch card system.
- The Community Elections Advisory Committee (CEAC) was instituted and exceeded the expectations of the Department of Justice for community outreach.
- The project to establish basic written policies and procedures is complete. The project has created a foundation for further development and documentation of processes that will be invaluable for us in creating a Quality Assurance program, training new staff, and monitoring progress.

Organizational Summary



REGISTRAR OF VOTERS - Oversee all functions of the department.

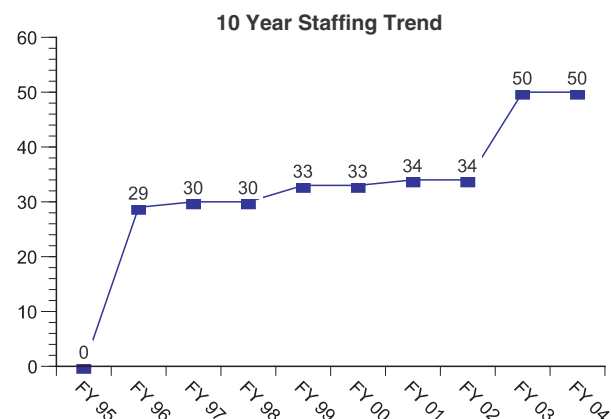
ADMINISTRATIVE SUPPORT - Provide purchasing, human resources, fiscal management, budget support and warehouse functions.

ELECTION SERVICES - Provide voter/candidate/balloting services.

INFORMATION SERVICES - Maintain election and district data bases/programs, voter file, GIS, 5 LANS.

PRECINCT OPERATIONS - Recruit over 7,000 workers and secure over 1,700 polling places.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- The Registrar of Voters Department was a budget unit within the General Services Agency with a staff as high as 58 but decreased to 29 by FY 95-96 as a result of the bankruptcy.

- In September 2001, the Board of Supervisors approved Registrar of Voters strategic plan and increase staffing to the current level of 50.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Consistent with the departmental business plan as all functions within this department are driven toward conducting elections at the most efficient, cost effective level. In 2002-03, the County designated the implementation of an electronic voting system as a strategic priority. This project is on schedule for the implementation of the system in the March 2004 Primary Election.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	50	50	50	0	0.00
Total Revenues	977,742	6,765,052	7,977,591	19,325,332	11,347,741	142.25
Total Requirements	7,553,143	13,972,536	13,866,097	27,923,578	14,057,481	101.38
Net County Cost	6,575,401	7,207,484	5,888,506	8,598,246	2,709,740	46.02

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Registrar of Voters in the Appendix on page 461.

Highlights of Key Trends:

- Automation of information processes through Direct Record Electronic (DRE) voting system, website development and the Interactive Voice Response (IVR) telecommunications system.
- Improved access to the voting process for voters who are more comfortable in the Korean and Chinese languages, meeting Federal mandates in an abbreviated time frame for the November General Elections.
- Formulation of a basis upon which to build a Quality Assurance/Compliance program.
- Control of labor costs through improved deployment of Extra Help and Temporary Agency staffing in the November General Election.

Budget Units Under Agency Control

No.	Agency Name	Registrar Of Voters	Administrative Support	Election Services	Information Services	Precinct Operations	Total
031	Registrar Of Voters	158,204	22,218,580	1,172,444	1,428,158	2,946,192	27,923,578
	Total	158,204	22,218,580	1,172,444	1,428,158	2,946,192	27,923,578

059 - CLERK-RECORDER

Operational Summary

Mission:

The Clerk-Recorder Office's mission is to provide efficient service to the public in a way that exemplifies the highest standard of courtesy, cost effectiveness, and ethical performance. Public records will be readily accessible to citizens/taxpayers in a convenient manner while safeguarding confidentiality and the security of those records.

Strategic Goals:

- Provide prompt and reliable service to the public
- Enhance public records accessibility
- Safeguard security over the public's records

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
CONTINUE CUSTOMER SATISFACTION SURVEYS WHICH RATE OVERALL VALUE OF OUR SERVICE TO THE PUBLIC. What: Survey forms measure customer satisfaction and ensure we are addressing customer needs. Why: Quality customer service is our top priority.	Survey results are 98% above standard.	Survey results are targeted to be at least 98% above standard.	The Orange County Clerk-Recorder's Office provides the highest level of service at the lowest cost-per-service unit of any major county in California.
THE NUMBER OF DOCUMENTS UTILIZING ELECTRONIC RECORDING. What: This measurement provides higher levels of transactions with minimal staffing increases. Why: Public has access to recorded documents within short timeframes.	478,955 documents using electronic recording were processed.	600,000 documents are targeted to use Electronic Recording.	Documents submitted via Electronic Recording are recorded within one-two hours of submittal.
NUMBER OF RECORDS CONVERTED TO ALTERNATE MEDIA TO ENSURE EASE OF ACCESS AND PRESERVATION AND SAFETY. What: This measurement is a tool to evaluate efforts to provide access and safeguard the public's records. Why: To provide added security to public records now and for future retrieval.	95,000 vital record images transferred from microfilm to digitized images.	Over 2.5 million official records targeted for processing to digital images.	The Office's technology plan enhancements are on track and priority continues to be placed on security of records.

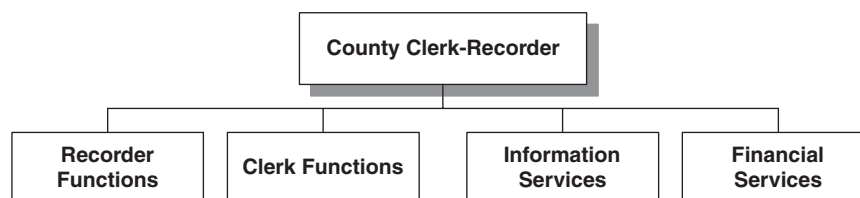
At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	7,567,917
Total Final FY 2003-2004 Budget:	9,738,723
Percent of County General Fund:	0.40%
Total Employees:	102.00

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Among major breakthroughs for the Clerk-Recorder's Office in 2002: The number of title and insurance companies that record electronically has grown from 51 in 2001 to 57 users. Electronic Recording (ER) customers submit an average of 2,228 documents daily, with the total number of electronically recorded documents exceeding 1.7 million since implementation in 1997.
- The Office recorded a record high of one million documents for Fiscal Year 2001-02. These recordings are a result, in part, of interest rates at a 40-year low. New real estate sales and second deeds of trust recordings continue at high levels.
- In October 2002, an automated marriage license application was implemented. This system allows customers to input their license application information into our system. It expedites the application, reduces customer-waiting period, ensures error free license production, and eliminates multiple data entry.
- On October 22, 2002, the office unveiled its newly remodeled marriage ceremony room. The room has turn of the century decor, offering the look and feel of the Old Courthouse ambiance. The remodel was paid for by marriage license fees. It is completely portable (in the event of relocation) and offers clients wishing to utilize this civil ceremony service a tasteful and convenient location.
- Important to the County future ability to maintain, store and retrieve public records was the acquisition and the installation of a mass storage unit. For the purpose of further ensuring record security, it was relocated to the County's Data Center.
- A major automation project this year was to increase the available document numbering system from 6 to 8 digits. The existing system is programmed to accommodate numbers up to 999,999. Due to record high real property recordings, the office reached one million documents in November 2002. This numbering enhancement required new programming, integration with multiple office systems, and a full conversion.
- Installation of a fully reliable, user-friendly cashiering system, which produces accounting reports and related applications, was another significant step forward for the Office in late 2002.
- Mid-year the office began producing a monthly statistical report, which includes workload information, revenue collection and distribution, and budgetary projections.
- In September, 2002 the office developed a Community Outreach presentation, "What Does the Clerk-Recorder's Office Do for You?" which is currently being presented to various community groups, as well as other county agencies.
- In November, 2002 the office implemented a new multi-line telephone system throughout the office.

Organizational Summary



COUNTY CLERK-RECORDER - The Clerk-Recorder is an elected official who, with the administrative staff, directs the activities of the department in satisfying the needs of the public regarding the recordation of various real property documents, filing of birth, death and marriage records, issuing marriage licenses, and filing Fictitious Business Names and other documents.

RECORDER FUNCTIONS - This division assists the public and title companies in recording documents pertaining to real property transactions. Included in this process is the examination of documents to determine recordability, recording and indexing documents, and optically imaging all recorded documents for storage and retrieval.

CLERK FUNCTIONS - This division is responsible for issuing marriage licenses and performing civil wedding ceremonies. It also registers Notary Publics, Process Servers, Professional Photocopiers, and Unlawful Detainer Assistants; files documents related to Fictitious Business Name registrations and Environmental Impact Reports; and produces copies of recorded documents and issues birth, death, and marriage certificates. The Archives division identifies, collects, preserves, arranges, maintains records of historical significance relevant to the County and County government, and educates the public as to their use. The Archives serves as both a repository for these unique documents and as a resource center open to the public.

INFORMATION SERVICES - This division provides technical and user support for all automated systems within the department. Staff provides short and long term automation planning, systems installation, user training, systems maintenance, and telecommunications support.

FINANCIAL SERVICES - This division is responsible for the fiscal integrity of the Department through the assessment of funding needs and fiscal issues that may impact Department activities. This includes budget planning, development, monitoring and implementation; oversight of expenditures and revenues; purchasing and deposit of funds.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- No new positions were added in FY 2003-2004.
- Four additional staff positions were added in FY 2002-2003 to accommodate workload increases for the recording of documents and to support and maintain the Archives Program.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Clerk-Recorder's Office will continue to review costs of operation, maximize service to the public, and contribute revenues in excess of expenses to the County General Fund.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	102	102	102	0	0.00
Total Revenues	16,361,380	14,443,423	22,132,724	15,982,639	(6,150,085)	-27.79
Total Requirements	6,411,908	7,899,507	7,400,418	9,738,723	2,338,305	31.60
Net County Cost	(9,949,472)	(6,543,916)	(14,732,306)	(6,243,916)	8,488,390	-57.62

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Clerk-Recorder in the Appendix on page 485.

Highlights of Key Trends:

- The recording of real property documents is continuing to increase due to record low interest rates and record high real property financing and refinancing. When compared to the first nine months of 2001, current activity has increased by 22% thus far in 2003. This volume is expected to continue through 2003 and well into 2004. Our clients expect and will receive speedy and error free real property recordings.
- Interest rates are a key indicator of the number of real property recordings our Office will process. Projections in this regard are not an exact science, however, some trend indicators are useful when projecting workload. The two most important factors affecting real estate

prices are the economy and demographics. The economy goes up and down, but demographics, particularly the baby-boomer generation, just keep rolling along.

- The major Clerk functions in the Office are Fictitious Business Name (FBN) Filings, issuance of marriage licenses and birth, death, and marriage certified copies. These operations increase approximately 5% annually. The economy has prompted the opening of new businesses, thus increasing FBN activity. The issuance of marriage licenses and performing civil marriage ceremonies continues at a steady pace in Orange County. The need for certified copies of birth, death and marriage certificates is on the rise, especially with schools requiring birth certificates prior to enrollment and children's sporting activities record requirements.

Budget Units Under Agency Control

No.	Agency Name	County Clerk-Recorder	Recorder Functions	Clerk Functions	Information Services	Financial Services	Total
059	Clerk-Recorder	3,116,339	2,724,498	1,613,317	1,835,690	448,879	9,738,723
	Total	3,116,339	2,724,498	1,613,317	1,835,690	448,879	9,738,723

074 - TREASURER-TAX COLLECTOR

Operational Summary

Mission:

To provide efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts.

Strategic Goals:

- Manage and preserve the investment of all service recipient funds.
- To collect all property taxes for service recipients in accordance to applicable laws.

Key Outcome Indicators:

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
NET INVESTMENT RETURN. What: Obtain a portfolio yield that meets or exceeds the 90-day US T-Bill and money market benchmarks. Why: To continue to provide safe, efficient and effective investment returns for our clients.	Exceeded the 90-day US T-Bill benchmark by 60 basis points. Exceeded money market benchmark by 23 basis points.	Continue to exceed benchmarks.	On target.
ADMINISTRATION FEE CHARGED TO POOL PARTICIPANTS. What: To charge the lowest administration fee possible. Why: To provide a modest investment return to pool participants with minimum administrative costs.	Administration fee stayed at 12.50 basis points (i.e., 0.125%).	Administration fee to remain at 12.50 basis points (i.e., 0.125%).	On target.
RATING OF INVESTMENT POOL. What: Maintain highest rating. Why: To assure safest money market practices are being followed.	Obtained a AAA/V1+ rating. School pool downgraded to AA/V1+ until July 18, 2001 when one investment matured.	Maintain a "triple A" credit rating.	On target.
STATE PROPERTY TAX COLLECTION RATES FOR SECURED AND UNSECURED PROPERTY. What: Exceed state property tax collection rates for Secured & Unsecured prop by minimizing unpaid taxes. Why: To maximize collections in property taxes for service recipients and County General Fund.	Collection percentage ratings for Secured and Unsecured property taxes exceeded state median. Of the 58 counties in the State of California, Secured tax collection is currently ranked 5th highest with 98.5% collection. Unsecured tax collection is ranked 18th highest with 96.2% collection.	To continue to exceed the state median.	On target.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	12,573,535
Total Final FY 2003-2004 Budget:	14,441,208
Percent of County General Fund:	0.59%
Total Employees:	92.00

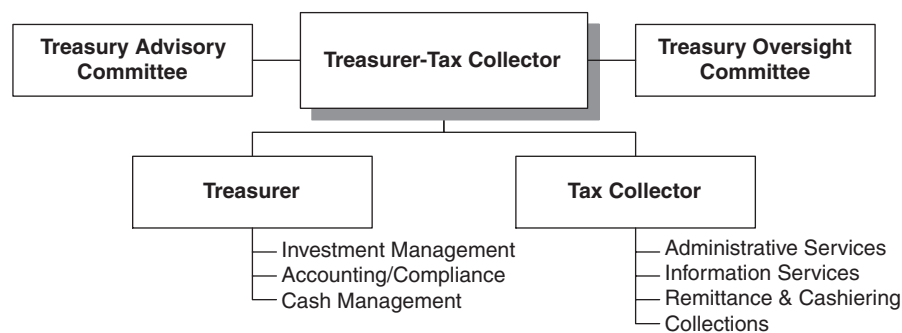
Key Outcome Indicators: (Continued)

Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
INVESTED CASH POSITION (PERCENT OF AVAILABLE FUNDS INVESTED). What: Maintain a maximum invested cash position. Why: To enhance portfolio returns on invested cash by minimizing idle funds.	The average invested cash for the County was 99.85% and 99.87% for the Department of Education.	The percent invested should slightly increase due to the complete closure of old bank accounts and the implementation of controlled disbursements.	On target.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Added the Prior Year Secured Delinquent Tax Roll to our website, which has resulted in increased usage by the general public and commercial users.
- Implemented a Two-Pass Remittance Processing System, which improved our ability to process tax payments.
- Implemented software which allows our taxpayer service personnel to e-mail images of tax bills, payments, and previous correspondence to taxpayers who request it.
- Obtained AAA/V1+ ratings on both the County Investment Pool and the Educational Investment Pool.

Organizational Summary



TREASURER-TAX COLLECTOR - Provides centralized treasury and tax collection services for the County of Orange.

TREASURER - Responsible for the receipt, custody, depository, investment, and recording of funds for the County, school districts, and special districts. Responsibilities also include issuance of short-term debt on behalf of the County and school districts. In addition, this office acts as trustee in connection with unclaimed property and is responsible for the issuance, billing, collection, redemption, and foreclosure of improvement bonds.

Investment Management: Provide portfolio management, broker/dealer relations, investment/economic research, liaison for oversight committees, and custody relation services.

Cash Management: Provide bank-related services and relationship management, cash optimization and forecasting, and financial electronic commerce solutions.

Accounting/Compliance: Provide financial reporting, fund accounting, general ledger reconciliations, bank reconciliations, investment accounting and compliance services, and defined benefit plan administration.

TAX COLLECTOR - Responsible for collecting taxes on all Secured and Unsecured property in Orange County. In addition, this office is responsible for the sale of property subject to the "power to sell," formerly known as delinquent tax deeded property. As well as collecting Annual Racehorse Taxes, Transient Occupancy Taxes, and Public Defender judgments, the Tax Collector also provides remittance processing services, information system services, and departmental administrative support.

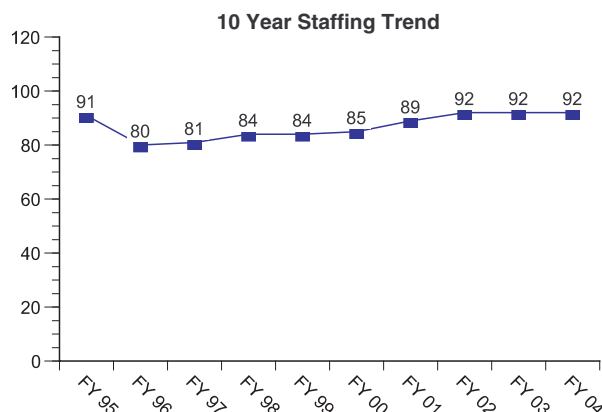
Collections: Provide centralized tax compliance services for delinquent unsecured tax collections, prior year secured property tax collections, public defender judgment collections, public information services, property tax problem payment processing, and general correspondence.

Remittance & Cashiering: Provide automated remittance processing for all property tax rolls, refund accounting, tax roll accounting, and cashiering for the Treasurer.

Administrative Services: Provide tax roll reconciliation's, purchasing, contract administration, human resources, payroll services, budget, facility operations, telephone, and network services for the Treasurer and Tax Collector Offices.

Information Services: Provide systems development and maintenance support for numerous Treasurer-Tax Collector applications required for the depositing, accounting, and collecting of funds.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Since 1994-95, our department's staffing level has only changed by a net of one position, and no additional positions have been requested for Fiscal Year 2003-2004.
- Despite the modest increase in staffing during this time, as workloads have continued to grow (the number of real property tax bills increased from 717,000 to 780,000), our department has continued to excel in providing efficient and effective investment, cash management and property tax collection services for the County, cities, special districts and school districts, as evidenced by the following: 1) The highest rating (AAA/V1+) for the investment pools continues to be maintained; and 2) Collection percentage ratings for the Secured and Unsecured tax rolls continue to exceed the state median.

Budget Summary

Plan for Support of the County's Strategic Priorities:

The Treasurer-Tax Collector will continue to pursue all major year 2003 service plan goals in support of County strategic priorities. We will continue to provide an effective, responsive and competitive organizational and operating structure. Staff will work diligently to meet our core business responsibilities of collecting and investing while supporting the successful implementation of new corporate programs.

Changes Included in the Base Budget:

The Fiscal Year 2003-2004 will see several of our Business Plan initiatives reflected in our proposed budget. The significant cost items are: (a) Increase in Salaries and Employee Benefits by \$1,051,622 to enable us to attract and retain staff who are committed to maintaining the highest standards of public service; (b) Increase in Services and Supplies by \$2,550,728, which is primarily due to higher merchant card services fees (as a result of increased credit card usage by the public), and increased Data Processing Services costs.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	92	92	92	0	0.00
Total Revenues	8,157,142	8,824,597	9,539,182	10,744,311	1,205,129	12.63
Total Requirements	11,131,932	12,744,507	12,582,224	14,441,208	1,858,984	14.77
Net County Cost	2,974,789	3,919,910	3,043,042	3,696,897	653,855	21.49

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Treasurer-Tax Collector in the Appendix on page 503.

Highlights of Key Trends:

- We are an administrative function that is task-oriented. We expect our investment results to consistently outperform our benchmarks. We will continue to provide our constituents with efficient and effective investment, cash management and property tax collection services.

Budget Units Under Agency Control

No.	Agency Name	Treasurer-Tax Collector	Treasurer	Tax Collector	Total
074	Treasurer-Tax Collector	488,996	6,133,340	7,818,872	14,441,208
107	Remittance Processing Equipment Replacement	150,640	0	0	150,640
	Total	639,636	6,133,340	7,818,872	14,591,848

107 - REMITTANCE PROCESSING EQUIPMENT REPLACEMENT

Operational Summary

Mission:

Establish reserves for replacement of Remittance Processing Equipment.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	224,415
Total Final FY 2003-2004 Budget:	432,908
Percent of County General Fund:	N/A
Total Employees:	0.00

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Implemented a Two-Pass Remittance Processing System, which improved our ability to process tax payments.

Budget Summary

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Revenues	631,996	712,030	686,912	432,908	(254,004)	-36.98
Total Requirements	173,129	712,030	464,280	432,908	(31,372)	-6.76
Balance	458,868	0	222,631	0	(222,631)	-100.00

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Remittance Processing Equipment Replacement in the Appendix on page 518.

079 - INTERNAL AUDIT

Operational Summary

Mission:

The mission of the Internal Audit Department (IAD) is to provide highly reliable, independent, objective evaluations and business and financial advisory services to the Board of Supervisors and County management to assist them with their important business and financial decisions, and to protect and safeguard the County's resources and assets.

At a Glance:

Total FY 2002-2003 Actual Expenditure + Encumbrance:	1,881,921
Total Final FY 2003-2004 Budget:	2,202,653
Percent of County General Fund:	0.09%
Total Employees:	22.00

Strategic Goals:

- Assist the Board of Supervisors and County management in ensuring the County's assets and resources are safeguarded; the County's accounting and financial reporting is timely and accurate, the County's management has timely information and critical analysis for its business and economic decisions.
- Provide professional attestation, assurance and confidence to our clientele on the County's internal controls, accounting records and its financial and business operations through our published audit reports and reviews.

Key Outcome Indicators:

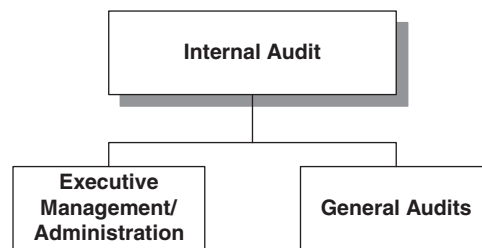
Performance Measure	2002 Business Plan Results	2003 Business Plan Target	How are we doing?
DEFALCATIONS OF COUNTY RESOURCES. What: Misappropriation of County funds and cash losses. Why: Misappropriation of funds bring on bad publicity and weaken public confidence in County operations.	This is a new indicator.	The County will not have misappropriation of funds or cash losses exceeding \$50,000.	The County did not have a misappropriation of funds or cash losses exceeding \$50,000 last year.
USEFULNESS OF OUR REPORTS AND CLIENT SATISFACTION. What: IAD performs audits that are helpful to clients. Why: Lets us know we are adding value and fulfilling a need.	This is a new indicator.	70% of clients report the audits are helpful.	Last year a high percentage of clients reported they received information that was helpful to them in safeguarding the County's assets and making business decisions.

Fiscal Year FY 2002-2003 Key Project Accomplishments:

- Department Control Reviews (DCR): Internal Audit completed all DCRs scheduled and budgeted in our 2002 Audit Plan. The DCRs focused primarily on internal control reviews of cash receipts and cash disbursements.
- Department Control Review Follow-Ups: During 2002, Internal Audit implemented its "post follow-up" review processes, where we follow-up a second time with departments/agencies to ensure any audit recommendations that were not implemented in the initial follow-up audit have been fully implemented.

- **Attestation Services & Mandates (ASM):** All year-end financial and mandated audits listed in the Audit Plan were completed on schedule, except for the Annual Treasury Investment Compliance Review at 12/31/01. The Treasury Funds Audits for quarter ending 12/31/01, 03/31/02, 06/30/02 and 09/31/02; and the Probation Audit for two years ending 06/30/01 were completed.
- **Information Technology (IT) Audits:** At the request of the Audit Oversight Committee (AOC), Internal Audit added a new category of audits (Integrated Audits). IT Audits specifically focuses on issues in the County Comprehensive Accounting and Personnel System (CAPS). To meet this request, we provided training to the audit staff to prepare them for the Certified Information Systems Auditor Exam. We had an extremely high pass rate of 80%, and eleven auditors passing the exam.
- Within IT audits, Internal Audit implemented Computer-Assisted Auditing Techniques (CAAT). We are using a proprietary software tool and have developed a toolset of computer-routines that will look for unusual data patterns in the individual data elements of the County's financial data on CAPS.
- Two auditors submitted their Form E (Experience) package to the State of Accounting to receive the Certified Public Accountant (CPA) credential. The packages were accepted and the CPA licenses were granted.
- Eleven auditors passed the Certified Information Systems Auditor (CISA) examination and two auditors met the experience requirements and received their CISA credentials. One auditor passed the (CIA) examination and received the CIA credential.

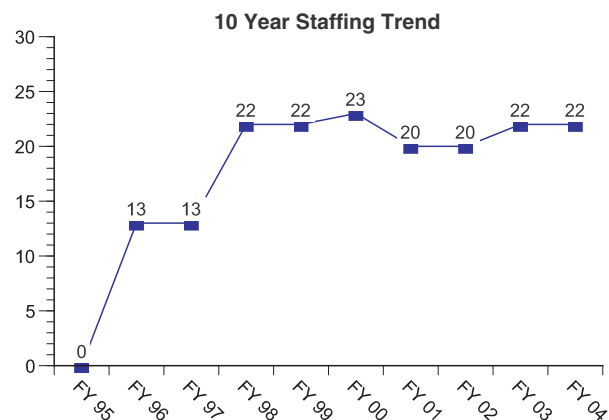
Organizational Summary



EXECUTIVE MANAGEMENT - The Executive Management/Administration team provides fiscal management, procurement and human resources, system security and technical services support, leadership, management oversight and direction to Internal Audit function.

GENERAL AUDITS - This is the core function of the department and consists of sixteen professional audit staff.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- The Internal Audit Department was established as a separate department independent of the County Auditor-Controller by Board Resolution dated April 25, 1995. Arthur Andersen L.L.P. was contracted at that time by the County to manage the Internal Audit function until a permanent director could be recruited. In 1997, a director was appointed and eight additional positions were added; in 1999 one Staff Analyst position was added; in 2000, two positions were eliminated in the Information Systems Auditing function and outsourced to consultants; additionally, two Auditor II positions were exchanged for one Senior Auditor I. In 2001, two

auditor positions were added for integrated audits of specifically focused issues in the County's Comprehensive Accounting and Personnel System.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Internal Audit, through its Business Plan, is aligned with the County's strategic priorities and assists in their accomplishment.

Final Budget and History:

Sources and Uses	FY 2001-2002 Actual Exp/Rev	FY 2002-2003 Budget As of 6/30/03	FY 2002-2003 Actual Exp/Rev ⁽¹⁾ At 6/30/03	FY 2003-2004 Final Budget	Change from FY 2002-2003 Actual	
					Amount	Percent
Total Positions	-	22	22	22	0	0.00
Total Revenues	174,733	128,022	38,278	42,240	3,962	10.35
Total Requirements	1,727,920	2,230,178	1,902,058	2,202,653	300,595	15.80
Net County Cost	1,553,187	2,102,156	1,863,780	2,160,413	296,633	15.92

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2002-03 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: Internal Audit in the Appendix on page 505.

Highlights of Key Trends:

- The key trend we are currently monitoring is the fiscal impact the State's budget deficit has on the County. We expect, as the cutbacks in program funding occur, the County will have to adjust programs and overhead downward to match the lower level of funding being provided. When such reductions are made in response to reduced funding, internal controls usually deteriorate

because critical processes or individuals have been cut. Consequently, in performing the annual risk assessment the evaluation of risk is raised because of how the County must react to reduced funding provided by the State. In addition, business plans to implement new systems within a fixed budget and time-frame are stressed by the uncertainty of funding.

Budget Units Under Agency Control

No.	Agency Name	Executive Management	General Audits	Total
079	Internal Audit	679,294	1,523,359	2,202,653
	Total	679,294	1,523,359	2,202,653

